
A

**CONTRACT TO CHARTER A PUBLIC SCHOOL ACADEMY
AND RELATED DOCUMENTS**

ISSUED BY

**THE GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES
(AUTHORIZING BODY)**

ISSUED TO

**TAYLOR PREPARATORY HIGH SCHOOL
(A PUBLIC SCHOOL ACADEMY)**

CONFIRMING THE STATUS OF

TAYLOR PREPARATORY HIGH SCHOOL

AS A

PUBLIC SCHOOL ACADEMY

**DATED:
JULY 1, 2013**

GENERAL INDEX

Contract Schedules

- Schedule 1: University Board Resolutions
 - Method of Selection Resolution, dated February 12, 2013
 - Authorization Resolution, dated February 12, 2013
- Schedule 2: Articles of Incorporation
- Schedule 3: Bylaws
- Schedule 4: Fiscal Agent Agreement
- Schedule 5: Master Calendar of Reporting Requirements (MCRR)
- Schedule 6: Information To Be Provided By Academy and Educational Management Company
- Schedule 7: Academy Specific Information & Educational Program
 - Schedule 7-1: Educational Goals and Programs
 - Schedule 7-2: Curriculum
 - Schedule 7-3: Staff Responsibilities
 - Schedule 7-4: Methods of Accountability and Pupil Assessment
 - Schedule 7-5: Academy's Admission Policies and Criteria
 - Schedule 7-6: School Calendar and School Day Schedule
 - Schedule 7-7: Age/Grade Range of Pupils Enrolled
 - Schedule 7-8: Address and Description of Proposed Physical Plant; Lease or Deed for Proposed Site; and Occupancy Certificate

TABLE OF CONTENTS

ARTICLE I

DEFINITIONS

Section

Section 1.1	Certain Definitions.....	1
Section 1.2	Schedules	3
Section 1.3	Statutory Definitions.....	3
Section 1.4	Application.....	3
Section 1.5	Conflicting Contract Provisions.....	3

ARTICLE II

ROLE OF GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES AS AUTHORIZING BODY

Section 2.1	University Board Resolutions	4
Section 2.2	Method for Monitoring Academy's Compliance With Applicable Law and Performance of its Targeted Educational Outcomes.....	4
Section 2.3	University Board Administrative Fee	5
Section 2.4	University Board as Fiscal Agent for the Academy	5
Section 2.5	Authorization of Employment	5
Section 2.6	Financial Obligations of the Academy Are Separate From the State of Michigan, University Board and the University	6
Section 2.7	Academy Has No Power To Obligate or Bind State of Michigan, University Board or the University	6
Section 2.8	Authorizing Body Contract Authorization Process	6

ARTICLE III

REQUIREMENT THAT ACADEMY ACT SOLELY AS GOVERNMENTAL AGENCY OR ENTITY AND POLITICAL SUBDIVISION

Section 3.1	Governmental Agency or Entity and Political Subdivision.....	7
Section 3.2	Other Permitted Activities	7

ARTICLE IV

PURPOSE

Section 4.1	Academy's Purpose	7
-------------	-------------------------	---

ARTICLE V

CORPORATE STRUCTURE OF THE ACADEMY

Section 5.1	Articles of Incorporation.....	7
Section 5.2	Bylaws.....	7

ARTICLE VI

OPERATING REQUIREMENTS

Section 6.1	Governance Structure.....	8
Section 6.2	Contributions and Fund Raising	8
Section 6.3	Educational Goals and Programs	8
Section 6.4	Curriculum	8
Section 6.5	Methods of Accountability	8
Section 6.6	Staff Responsibilities	9
Section 6.7	Admission Policy	9
Section 6.8	School Calendar/School Day Schedule	9
Section 6.9	Age/Grade Range of Pupils Enrolled.....	9
Section 6.10	Annual Financial Audit.....	9
Section 6.11	Address and Description of Proposed Site(s); Process for Expanding Academy's Site Operations.....	9
Section 6.12	Accounting Standards	10
Section 6.13	Placement of University Student Interns	10
Section 6.14	Disqualified Organizational or Contractual Affiliations.....	10
Section 6.15	Matriculation Agreements	11
Section 6.16	Posting of Adequate Yearly Progress (AYP) and Accreditation Status	11

ARTICLE VII

TUITION PROHIBITED

Section 7.1	Tuition Prohibited: Fees and Expenses.....	11
-------------	--	----

ARTICLE VIII

COMPLIANCE WITH PART 6A OF CODE AND OTHER LAWS

Section 8.1	Compliance with Part 6a of Code	11
Section 8.2	Compliance with State School Aid Act	11
Section 8.3	Open Meetings Act	11
Section 8.4	Freedom of Information Act	11
Section 8.5	Public Employees Relations Act.....	12
Section 8.6	Prevailing Wage on State Contracts	12
Section 8.7	Uniform Budgeting and Accounting Act.....	12
Section 8.8	Revised Municipal Finance Act of 2001	12
Section 8.9	Non-discrimination	12

Section 8.10	Other State Laws.....	12
Section 8.11	Federal Laws.....	12

ARTICLE IX

AMENDMENT

Section 9.1	Process for Amending the Contract.....	12
Section 9.2	Process for Amending Academy Articles of Incorporation.....	13
Section 9.3	Process for Amending Academy Bylaws	13
Section 9.4	Change in Existing Law.....	13

ARTICLE X

TERMINATION, SUSPENSION AND REVOCATION

Section 10.1	Grounds and Procedures for Academy Termination of Contract	13
Section 10.2	Termination by University Board	14
Section 10.3	Contract Suspension.....	15
Section 10.4	Statutory Grounds for Revocation	15
Section 10.5	Other Grounds for University Board Revocation	16
Section 10.6	University Board Procedures for Revoking Contract	17
Section 10.7	Automatic Revocation by State of Michigan.....	19
Section 10.8	Material Breach of Contract.....	20
Section 10.9	Appointment of Conservator/Trustee	20

ARTICLE XI

PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1	Grand Valley State University Faculty Employment in the Academy	21
Section 11.2	The Academy Faculty Appointment to Grand Valley State University Faculty.....	21
Section 11.3	Student Conduct and Discipline.....	21
Section 11.4	Insurance	21
Section 11.5	Transportation	22
Section 11.6	Extracurricular Activities and Interscholastic Sports	22
Section 11.7	Legal Liabilities and Covenants Not to Sue	22
Section 11.8	Lease or Deed for Proposed Single Site(s)	23
Section 11.9	Occupancy and Safety Certificates	23
Section 11.10	Deposit of Public Funds by the Academy.....	23
Section 11.11	Educational Service Provider Agreements	23
Section 11.12	Required Provisions for Educational Service Provider Agreements	23
Section 11.13	Incompatible Public Offices and Conflicts of Interest Statutes	24
Section 11.14	Certain Familial Relationships Prohibited.....	25
Section 11.15	Dual Employment Positions Prohibited.....	25

Section 11.16	Oath of Public Office	25
Section 11.17	Information Available to the Public and University	25
Section 11.18	Authorizing Body Invitation to Apply to Convert Academy to School of Excellence	25

ARTICLE XIII

GENERAL TERMS

Section 12.1	Notices	26
Section 12.2	Severability	26
Section 12.3	Successors and Assigns.....	26
Section 12.4	Entire Contract.....	26
Section 12.5	Assignment	26
Section 12.6	Non-Waiver.....	27
Section 12.7	Indemnification	27
Section 12.8	Construction.....	27
Section 12.9	Force Majeure	27
Section 12.10	No Third Party Rights.....	27
Section 12.11	Non-agency	27
Section 12.12	Governing Law	28
Section 12.13	Counterparts.....	28
Section 12.14	Term of Contract.....	28
Section 12.15	Survival of Provisions.....	29
Section 12.16	Termination of Responsibilities.....	29
Section 12.17	Disposition of Academy Assets Upon Termination or Revocation of Contract.....	29

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Contract to Charter a Public School Academy

Pursuant to Part 6a of the Revised School Code (“Code”), being Sections 380.501 to 380.507 of the Michigan Compiled Laws, the Grand Valley State University Board of Trustees (“University Board”) issues a contract to Taylor Preparatory High School (the “Academy”), to be effective July 1, 2013, confirming the Academy’s status as a public school academy in this State. The Parties agree that the issuance of this Contract is subject to the following Terms and Conditions:

ARTICLE I

DEFINITIONS

Section 1.1. Certain Definitions. For purposes of this Contract, and in addition to the terms defined throughout this Contract, each of the following words or expressions, whenever capitalized, shall have the meaning set forth in this section:

- a) **Academy** means the Michigan non-profit corporation authorized by this Contract.
- b) **Academy Board** means the Board of Directors of the Academy authorized by this Contract. **Academy Board member** or **Academy Director** means an individual who is a member of the Academy Board, whether in the past, present or future.
- c) **Applicable Law** means all state and federal law applicable to public school academies.
- d) **Applicant** means the person or entity that submitted the public school academy application to the University for the establishment of the Academy.
- e) **Application** means the public school academy application and supporting documentation submitted to the University for the establishment of the Academy.
- f) **Authorization Resolution** means the resolution adopted by the Grand Valley State University Board of Trustees approving the issuance of a Contract.
- g) **Charter School** means public school academy.
- h) **Code** means the Revised School Code, Act No. 451 of the Public Acts of 1976, as amended, being Sections 380.1 to 380.1852 of the Michigan Compiled Laws.
- i) **Contract** means, in addition to the definitions set forth in the Code, the Terms and Conditions and the Schedules.
- j) **Educational Service Provider or “ESP”** means an educational management organization as defined under section 503c of the Code, MCL 380.503c, that

has entered into a contract or agreement with the Academy Board for operation or management of the Academy, which contract has been submitted to the University Charter Schools Office Director for review as provided in Section 11.11 and has not been disapproved by the University Charter Schools Office Director, and is consistent with the Charter Schools Office Educational Service Provider Policies, as they may be amended from time to time, and Applicable Law.

- k) **Fund Balance Deficit** means the Academy has more liabilities than assets at the end of any given school fiscal year, and includes any fiscal year where the Academy would have had a budget deficit but for a financial borrowing from, or monetary contribution by an Educational Service Provider or other person or entity to the Academy. If the Academy receives a gift or grant of money or financial support from an Educational Service Provider or other person or entity that does not require repayment by the Academy, and is not conditioned upon the actions or inactions of the Academy Board, then such gift or grant shall not constitute a financial borrowing or contribution for purposes of determining a Fund Balance Deficit.
- l) **Management Agreement or ESP Agreement** means an agreement as defined under section 503c of the Code, MCL 380.503c that has been entered into between an ESP and the Academy Board for operation and/or management of the Academy, which has been submitted to the University Charter Schools Office Director for review as provided in Section 11.11 and has not been disapproved by the University Charter Schools Office Director, and is consistent with the CSO Educational Service Provider Policies as they may be amended from time to time, and Applicable Law.
- m) **Master Calendar of Reporting Requirements (MCRR)** means the compliance certification duties required of the Academy by the University Board. The University Charter Schools Office may amend the MCRR each fiscal year or at other times as deemed appropriate by the University President. These changes shall be automatically incorporated into the Contract and shall be exempt from the Contract amendment procedures under Article IX of these Terms and Conditions.
- n) **Method of Selection Resolution** means the resolution adopted by the University Board providing for the method of selection, length of term, number of members, qualification of Board Academy members and other pertinent provisions relating to the Academy Board.
- o) **Resolution** means any resolution adopted by the Grand Valley State University Board of Trustees.
- p) **Schedules** mean the schedules incorporated into and part of the Terms and Conditions.

- q) **Terms and Conditions** means this document entitled Terms and Conditions of Contract issued by the Grand Valley State University Board of Trustees.
- r) **University** means Grand Valley State University established pursuant to Article VIII, Sections 4 and 6 of the 1963 Michigan Constitution and MCL 390.841 *et seq.*
- s) **University Board** means the Grand Valley State University Board of Trustees.
- t) **University Charter Schools Hearing Panel** or **Hearing Panel** means such person(s) as designated by the University President.
- u) **University Charter Schools Office** or **CSO** means the office the University Board, by issuance of this Contract, hereby designates as the point of contact for public school academy applicants and public school academies authorized by the University Board. The University Charter Schools Office is also responsible for managing, implementing, and overseeing the University Board's responsibilities with respect to the Contract.
- v) **University Charter Schools Office Director** or **CSO Director** means the person designated by the University President to administer the operations of the University Charter Schools Office.
- w) **University President** means the President of Grand Valley State University or his or her designee.

Section 1.2. Schedules. All Schedules to this Contract are part of this Contract.

Section 1.3. Statutory Definitions. Statutory terms defined in the Code shall have the same meaning in this Contract.

Section 1.4. Application. The Application submitted to the University Board for the establishment of the Academy is incorporated into, and made part of, this Contract. In the event that there is an inconsistency or dispute between materials in the Application and the Contract, the language or provisions in the Contract shall control.

Section 1.5. Conflicting Contract Provisions. In the event that there is a conflict between the language contained in the provisions of this Contract, the Contract shall be interpreted as follows: (i) the Method of Selection Resolution shall control over any other conflicting language in the Contract; (ii) the Authorizing Resolution shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution; (iii) the Terms and Conditions shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution and the Authorizing Resolution; and (iv) the Articles of Incorporation shall control over any other conflicting language in the Contract with the exception of language in the Method of Selection Resolution, Authorizing Resolution and these Terms and Conditions.

ARTICLE II

ROLE OF GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES AS AUTHORIZING BODY

Section 2.1. University Board Resolutions. For purposes of this Contract, the University Board has adopted the following resolutions:

(a) Method of Selection Resolution. The University Board has adopted the Method of Selection Resolution, which is incorporated into this Contract as part of Schedule 1. At anytime and at its sole discretion, the University Board may amend the Method of Selection Resolution. Upon University Board approval, changes to the Method of Selection Resolution shall automatically be incorporated into this Contract and shall be exempt from the amendment procedures under Article IX of the Terms and Conditions.

(b) Authorizing Resolutions. The University Board has adopted the Authorizing Resolution, which is incorporated into this Contract as part of Schedule 1.

Section 2.2. Method for Monitoring Academy's Compliance with Applicable Law and Performance of its Targeted Educational Outcomes. The University Board has the responsibility to oversee the Academy's compliance with the Contract and all Applicable Law. The Academy shall perform the compliance certification duties required by the University Board as outlined in the Contract incorporated into this Contract as Schedule 5. Additionally, the Academy shall be responsible for the following:

- a) In the event that the University President determines that the Academy's educational outcomes should be reviewed to help determine if the Academy is meeting the educational goals set forth in the Schedules, the University President, at his or her discretion, may require an objective evaluation of student performances by an educational consultant, acceptable to both the Academy and the University President. The Academy shall pay for the expense of the evaluation. In addition, at any time, the University President may require an evaluation of student performance to be selected by and at the expense of the University. The Academy shall cooperate with the evaluation, including any student testing required.
- b) Within ten (10) days of receipt, the Academy shall notify the University Charter Schools Office of correspondence received from the Department of Education or State Board of Education that requires a written or formal response.
- c) Within ten (10) days of receipt, the Academy shall report to the University Charter Schools Office and the University Counsel Office any litigation or formal proceedings alleging violation of Applicable Law or contractual agreement against the Academy, its officers, employees, agents, and/or contractors.
- d) The Academy shall permit review of the Academy's records and inspection of its premises at any time by representatives of the University. Normally, such inspections

shall occur during the Academy's hours of operation and after advance notice to the Academy.

- e) The Academy shall provide the Charter Schools Office with copies of reports and assessments concerning the educational outcomes achieved by pupils attending the Academy and shall provide necessary approvals for the Charter Schools Office to access electronic information received or stored by the State of Michigan including, but not limited to, the Department of Education or other agency authorized by the State to collect school data.
- f) The Academy shall submit audited financial statements, including auditor's management letters and any exceptions noted by the auditors, to the University Charter Schools Office. The financial statements and auditor's management letters shall be submitted to the University Charter Schools Office within ninety (90) days after the end of the Academy's fiscal year.
- g) The Academy shall provide the University Charter Schools Office with a copy of the proposed annual budget for the upcoming fiscal year of the Academy no later than July 1st. The Academy Board is responsible for establishing, approving and amending the annual budget in accordance with the Uniform Budgeting and Accounting Act, MCL 141.421 *et seq.*, and for providing all amendments and revisions to the University Charter Schools Office following Academy Board approval.
- h) The Academy shall provide to the University Charter Schools Office minutes of all Academy Board meetings no later than fourteen (14) days after such meeting.

Section 2.3. University Board Administrative Fee. During the term of this Contract, the Academy shall pay the University Board an administrative fee of 3% of the state school aid payments received by the Academy. For purposes of this Contract, state school aid payments received by the Academy in July and August in any given year shall be deemed to have been received by the Academy during the Contract term. This fee shall be retained by the University Board from each state school aid payment received by the University Board for forwarding to the Academy. This fee shall compensate the University Board for issuing the Contract and overseeing the Academy's compliance with the Contract and all Applicable Law.

Section 2.4. University Board as Fiscal Agent for the Academy. The University Board is the fiscal agent for the Academy. The University Board shall, within three (3) business days, forward to the Academy all state school aid funds or other public or private funds received by the University Board for the benefit of the Academy. The University Board shall retain any amount owed to the University Board by the Academy pursuant to this Contract. For purposes of this section, the responsibilities of the University Board, the State of Michigan, and the Academy are set forth in the Fiscal Agent Agreement incorporated herein as Schedule 4.

Section 2.5. Authorization of Employment. The Academy may employ or contract with personnel. If the Academy contracts for personnel with an Educational Service Provider, the Academy shall submit a draft of the proposed agreement to the University Charter Schools

Office for review. The University Charter Schools Office may disapprove the proposed agreement if it contains provisions in violation of this Contract or Applicable Law. No ESP agreement shall be effective unless and until the agreement complies with Section 11.12 of these Terms and Conditions. With respect to Academy employees, the Academy shall have the power and responsibility to (i) select and engage employees; (ii) pay their wages; (iii) dismiss employees; and (iv) control the employees' conduct, including the method by which the employee carries out his or her work. An employee hired by the Academy shall be an employee of the Academy for all purposes and not an employee of the University for any purpose. The Academy Board shall prohibit any individual from being employed by the Academy, an ESP, or an employee leasing company involved in the operation of the Academy, in more than one (1) full-time position and simultaneously being compensated at a full-time rate for each of these positions. The Academy shall be responsible for carrying worker's compensation insurance and unemployment insurance for its employees.

Section 2.6. Financial Obligations of the Academy are Separate from the State of Michigan, University Board and the University. Any contract, mortgage, loan or other instrument of indebtedness entered into by the Academy and a third party shall not in any way constitute an obligation, either general, special, or moral, of the State of Michigan, the University Board, or the University. Neither the full faith and credit nor the taxing power of the State of Michigan or any agency of the State, nor the full faith and credit of the University Board or the University shall ever be assigned or pledged for the payment of any Academy contract, agreement, note, mortgage, loan or other instrument of indebtedness.

Section 2.7. Academy Has No Power to Obligate or Bind State of Michigan, University Board or the University. The Academy has no authority whatsoever to enter into any contract or other agreement that would financially obligate the State of Michigan, University Board or the University, nor does the Academy have any authority whatsoever to make any representations to lenders or third parties, that the State of Michigan, University Board or the University in any way guarantee, are financially obligated, or are in any way responsible for any contract, agreement, note, mortgage, loan or other instrument of indebtedness entered into by the Academy.

Section 2.8. Authorizing Body Contract Authorization Process. Pursuant to the Code, the University Board is not required to issue a contract to the Academy. This Contract is for a fixed term and will terminate at that end of the Contract term set forth in Section 12.14 without any further action of either the Academy or the University Board. Prior to the end of the Contract term, the University Board shall provide a description of the process and standards by which the Academy may be considered for the issuance of a new contract. The timeline for consideration of whether to issue a new contract to the Academy shall be solely determined by the University Board. The standards for issuance of a new contract shall include increases in academic achievement for all groups of pupils as measured by assessments and other objective criteria established by the University Board as the most important factor of whether to issue or not issue a new contract. The University Board, at its sole discretion, may change its process and standards for issuance of a contract at anytime, and any such changes shall take effect automatically without the need for any amendment to this Contract. Consistent with the Code, the University Board may elect, at its sole discretion, not to consider the issuance of a contract,

consider reauthorization of the Academy and elect not to issue a contract, or consider reauthorization of the Academy and issue a contract for a fixed term.

ARTICLE III

REQUIREMENT THAT ACADEMY ACT SOLELY AS GOVERNMENTAL AGENCY OR ENTITY AND POLITICAL SUBDIVISION

Section 3.1. Governmental Agency or Entity and Political Subdivision. The Academy shall act exclusively as a governmental agency or entity and political subdivision.

Section 3.2. Other Permitted Activities. Nothing in this Contract shall prohibit the Academy from engaging in other lawful activities that are not in derogation of the Academy's status as a public school or that would not jeopardize the eligibility of the Academy for state school aid funds. Subject to Section 2.5 and Section 6.15 of the Terms and Conditions, the Academy may enter into agreements with other public schools, public school academies, governmental units, businesses, community and nonprofit organizations where such agreements contribute to the effectiveness of the Academy or advance education in this state.

ARTICLE IV

PURPOSE

Section 4.1. Academy's Purpose. The Academy Board shall identify the purpose or mission of the Academy. Any subsequent changes to the Academy's purpose or mission shall be carried out by amendment in accordance with Article IX of these Terms and Conditions. The Academy's stated purpose or mission shall be set forth in the Schedules.

ARTICLE V

CORPORATE STRUCTURE OF THE ACADEMY

Section 5.1. Articles of Incorporation. Unless amended pursuant to Section 9.2 of Article IX herein, the Articles of Incorporation of the Academy, as set forth in Schedule 2, shall be the Articles of Incorporation of the Academy. The Academy Board represents to the University Board that Schedule 2 includes all amendments to the Academy's Articles of Incorporation as of the date set forth above.

Section 5.2. Bylaws. Unless amended pursuant to Section 9.3 of Article IX herein, the Bylaws of the Academy, as set forth in Schedule 3, shall be the Bylaws of the Academy. The Academy Board represents to the University Board that Schedule 3 includes all amendments to the Academy's Bylaws as of the date set forth above.

ARTICLE VI

OPERATING REQUIREMENTS

Section 6.1. Governance Structure. The Academy shall be organized and administered under the direction of the Academy Board and pursuant to the governance structure as set forth in its Bylaws. The Academy's Board of Directors shall meet at least six times per fiscal year, unless another schedule is mutually agreed upon by the University President and the Academy.

Section 6.2. Contributions and Fund Raising. The Academy may solicit and receive contributions and donations as permitted by law. No solicitation shall indicate that a contribution to the Academy is for the benefit of the University. The University shall not be required to receive any contributions or donations for the benefit of the Academy. If the University receives contributions or donations for the benefit of the Academy, it shall forward such funds to the Academy within three (3) business days of receipt.

Section 6.3. Educational Goals and Programs. The Academy shall pursue the educational goals and programs identified and contained in the Schedules. The educational goals shall include demonstrated improved pupil academic achievement for all groups of pupils. Such goals and programs may be amended pursuant to Section 9.1 of Article IX of the Terms and Conditions. Upon request, the Academy shall provide the University Charter Schools Office with a written report, along with supporting data, assessing the Academy's progress toward achieving its goal(s).

Section 6.4. Curriculum. The Academy shall have flexibility in developing, realigning, and implementing the curriculum identified in the Schedules. Any changes to the curricula shall be administered pursuant to Section 9.1 of Article IX of the Terms and Conditions, and such proposed curricula shall be designed to achieve the Academy's overall educational goals and State's educational assessment objectives.

Section 6.5. Methods of Accountability. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using at least the Michigan Education Assessment Program (MEAP) test or the Michigan Merit Examination (MME) designated under the Code. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;
- c) an annual education report in accordance with the Code;

- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.

The University Board may use such reports, assessments and test results in making its decision to suspend, terminate, or not issue a new contract at the end of the Contract, or revoke the Contract.

Section 6.6. Staff Responsibilities. Subject to Section 2.5 Article II of the Terms and Conditions, the University Board authorizes the Academy to employ or contract with an Educational Service Provider. A copy of the ESP agreement shall be included in the Schedules.

Section 6.7. Admission Policy. The Academy shall comply with all application, enrollment and admissions policies and criteria required by Applicable Law. A copy of the Academy's admission policies and criteria are set forth in the Schedules. With respect to the Academy's pupil admissions process, the Academy shall provide any documentation or information requested by the University Charter Schools Office that demonstrates the following:

- a) the Academy has made a reasonable effort to advertise its enrollment efforts to all pupils; and
- b) the Academy's open enrollment period was for a duration of at least 2 weeks and permitted the enrollment of pupils by parents at times in the evening and on weekends.

Section 6.8. School Calendar/School Day Schedule. The Academy shall comply with all minimum standards governing the length of the school term, minimum number of days and hours of instruction required by Applicable Law. The Academy agrees to make available to the CSO Office a copy of the School Calendar/School Day Schedule for each academic school year no later than July 1st. A copy of the School Calendar/School Day Schedule shall be automatically incorporated into the Schedules, without the need for an amendment under Article IX of the Terms and Conditions.

Section 6.9. Age/Grade Range of Pupils Enrolled. The Academy is authorized to operate Ninth through Twelfth grade(s). The Academy may add additional grades and vocational programs in the future, pursuant to Section 9.1 of Article IX of the Terms and Conditions.

Section 6.10. Annual Financial Audit. The Academy shall conduct an annual financial audit prepared and reviewed by an independent certified public accountant in accordance with generally accepted governmental auditing principles. The Academy shall submit the annual financial statement audit and auditor's management letter to the Charter Schools Office in accordance with the MCRR. The Academy Board shall provide to the Charter Schools Office a copy of any responses to the auditor's management letter in accordance with the MCRR.

Section 6.11. Address and Description of Proposed Site(s); Process for Expanding Academy's Site Operations. The proposed address and physical plant description of the

Academy's proposed site or sites is set forth in Schedule 7-8. Following Academy Board and University Board approval, proposed changes to the address and description of any site or sites shall be incorporated into this Contract by amendment. With the approval of the University Board, the Academy Board may operate the same configuration of age or grade levels at more than one (1) site if each configuration of age or grade levels and each site identified in Schedule 7-8 are under the direction and control of the Academy Board.

The University Board's process for evaluating and approving the same configuration of age or grade levels at more than one (1) site is as follows:

By formal resolution, the Academy Board may request the authority to operate the same configuration of age or grade levels at more than one site. The Academy Board shall submit to the University Charter Schools Office an application for site expansion, in a form or manner determined by the University Charter Schools Office. The application for site expansion shall include all information requested by the University Charter Schools Office, including detailed information about the site, revised budget, renovation and site improvement costs, the Academy's proposed operations at the site, and the information provided in Contract Schedules 7-8. Upon receipt of a complete application for site expansion, the University Charter Schools Office shall review the application for site expansion and make a recommendation to the University Board on whether the Academy's request for site expansion should be approved. A positive recommendation by the University Charter Schools Office of the application for site expansion shall include a determination by the Charter Schools Office that the Academy is operating in compliance with the Contract and is making measureable progress toward meeting the Academy's educational goals. The University Board may consider the Academy Board's site expansion request following submission by the University Charter Schools Office of a positive recommendation.

If the University Board approves the Academy Board's site expansion request, the Contract shall be amended in accordance with Article IX of these Terms and Conditions. The University Board reserves the right to modify, reject, or approve any application for site expansion in its sole and absolute discretion.

Section 6.12. Accounting Standards. The Academy shall at all times comply with generally accepted public sector accounting principles, and accounting system requirements that comply with Applicable Law.

Section 6.13. Placement of University Student Interns. The Academy may be a placement site for University students who are in education or other pre-professionals in training to serve in public schools. Such placement shall be without charge to the University and subject to other terms and conditions as the Academy and the University agree.

Section 6.14. Disqualified Organizational or Contractual Affiliations. The Academy shall comply with all state and federal law applicable to public schools concerning church-state issues. To the extent disqualified under the state or federal constitutions, the Academy shall not be organized by a church or other religious organization and shall not have any organizational or contractual affiliation with or constitute a church or other religious organization. Nothing in this

Section shall be deemed to diminish or enlarge the civil and political rights, privileges and capacities of any person on account of his or her religious belief.

Section 6.15. Matriculation Agreements. Before the Academy Board approves a matriculation agreement with another public school, the Academy shall provide a draft copy of the agreement to the University Charter Schools Office for review. Any matriculation agreement entered into by the Academy shall be added to the Schedules through a contract amendment approved in accordance with the Contract. Until the matriculation agreement is incorporated into the Contract, the Academy is prohibited from granting an enrollment priority to any student pursuant to that matriculation agreement.

Section 6.16. Posting of Adequate Yearly Progress (AYP) and Accreditation Status. The Academy shall post notices to the Academy's homepage of its website disclosing the adequate yearly progress status and accreditation status of each school in accordance with section 1280E of the Code, MCL 380.1280E.

ARTICLE VII

TUITION PROHIBITED

Section 7.1. Tuition Prohibited: Fees and Expenses. The Academy shall not charge tuition. The Academy may impose fees and require payment of expenses for activities of the Academy where such fees and payments are not prohibited by law.

ARTICLE VIII

COMPLIANCE WITH PART 6A OF THE CODE AND OTHER LAWS

Section 8.1. Compliance with Part 6a of the Code. The Academy shall comply with Part 6a of the Code.

Section 8.2. Compliance with State School Aid Act. In order to assure that funds are available for the education of pupils, the Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended from time to time. The Academy may expend funds from the State School Aid Act for any purpose permitted by the State School Aid Act of 1979 and may enter into contracts and agreements determined by the Academy as consistent with the purposes for which the funds were appropriated.

Section 8.3. Open Meetings Act. Pursuant to Section 503(6)(a) of the Code, the Academy Board shall conduct all of its meetings in accordance with the Michigan Open Meetings Act, Act No. 267 of the Public Acts of 1976, as amended, being Sections 15.261 to 15.275 of the Michigan Compiled Laws.

Section 8.4. Freedom of Information Act. Pursuant to Section 503(6)(b) of the Code, the records of the Academy shall be records subject to the provisions of the Michigan Freedom of Information Act ("FOIA"), Act No. 442 of the Public Acts of 1976, as amended, being Sections 15.231 to 15.246 of the Michigan Compiled Laws. The Academy Board shall designate

a freedom of information coordinator to assure compliance with FOIA and other applicable law providing for public disclosure or for protection of privacy.

Section 8.5. Public Employees Relation Act. Pursuant to Section 503(6)(c) of the Code, the Academy shall comply with Act No. 336 of the Public Acts of 1947, being Sections 423.201 to 423.217 of the Michigan Compiled Laws. Organizational efforts and collective bargaining agreements, if any, with employees of the Academy shall be the responsibility of the Academy.

Section 8.6. Prevailing Wage on State Contracts. The Academy shall comply with the Prevailing Wage on State Contracts statute, Act No. 166 of the Public Acts of 1965, being Sections 408.551 to 408.558 of the Michigan Compiled Laws.

Section 8.7. Uniform Budgeting and Accounting Act. The Academy shall comply with the Uniform Budgeting and Accounting Act, Act No. 2 of the Public Acts of 1968, being MCL 141.421 to 141.440a.

Section 8.8. Revised Municipal Finance Act of 2001. With respect to the Academy's borrowing money and issuance of bonds, the Academy shall comply with section 1351a of the Code and Part VI of the Revised Municipal Finance Act of 2001, Act No. 34 of the Public Acts of 2001, being MCL 141.2601 to 141.2613 of the Michigan Compiled Laws, except that the borrowing of money and issuance of bonds by the Academy is not subject to section 1351a(4) or section 1351(2) to (4) of the Code. Bonds issued by the Academy are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

Section 8.9. Non-discrimination. The Academy shall be separately responsible for compliance with applicable laws pertaining to equal opportunity and anti-discrimination laws such as the Elliott-Larsen Civil Rights Act, Act No. 453 of the Public Acts of 1976, as amended, being MCL 37.2101 to 37.2804, the Michigan Handicappers' Civil Rights Act, Act No. 22 of the Public Acts of 1976, as amended, being MCL 37.1101 to 37.1607, and Subtitle A of Title II of the Americans with Disabilities Act of 1990, Public Law 101-336, 42 USC & 12101 *et seq.* or any successor law.

Section 8.10. Other State Laws. The Academy shall comply with other state laws which are applicable to public school academies. Nothing in this Contract shall be deemed to apply any other state law to the Academy.

Section 8.11. Federal Laws. The Academy shall comply with federal laws which are applicable to public school academies. Nothing in this Contract shall be deemed to apply any other federal law to the Academy.

ARTICLE IX

AMENDMENT

Section 9.1. Process for Amending the Contract. Either party may propose changes in this Contract or may propose a meeting to discuss potential revision of this Contract. Except as provided in Sections 2.1, 5.1 and 6.11, the University Board delegates to its University President

the review and approval of changes or amendments to this Contract. The Academy Board may delegate the same authority to the Academy Board President. The Contract shall be amended upon agreement and approval of the respective authorized designees.

Section 9.2. Process for Amending Academy Articles of Incorporation. The Academy Board, or any authorized designee of the Academy Board, may propose changes to the Academy's Restated Articles of Incorporation. The Academy shall be authorized to make such changes to its Articles upon approval by the President or Designee of the University after review and recommendation by the University's Legal Counsel. Upon University approval, the Academy Board's authorized designee is authorized to file the amendment to the Academy's Restated Articles of Incorporation with the Michigan Department of Labor and Economic Growth, Bureau of Commercial Services. Upon receipt of the filed amendment, the Academy shall forward the filed amendment to the University Charter Schools Office. The filed amendment shall be automatically incorporated into Schedule 2 of this Contract upon receipt of the amendment by the University Charter Schools Office. If the University identifies a provision in the Restated Articles of Incorporation that violates or conflicts with this Contract, due to a change in law or for other reasons, after approval has been given, it shall notify the Academy Board in writing and the Academy Board shall amend the Restated Articles of Incorporation to make them consistent with the Contract. If the change is requested by the University, the University shall reimburse the Academy for the filing fees payable to the Michigan Department of Labor and Economic Growth.

Section 9.3. Process for Amending Academy Bylaws. The Academy Board shall submit proposed Bylaw changes to the Charter Schools Office, for review and comment, at least thirty (30) days prior to Academy Board adoption. The Academy's Bylaws, and any subsequent or proposed changes to the Academy's Bylaws, shall not violate or conflict with the Contract. If at any time the University identifies a provision in the Academy Board's Bylaws that violates or conflicts with Applicable Law or this Contract, the Academy Board's Bylaws shall be automatically void and the Academy Board shall amend the identified provision to be consistent with Applicable Law and the Contract. The amendment shall be automatically incorporated into Schedule 3 of the Contract upon receipt by the University Charter Schools Office of a duly authorized Academy Board Bylaw change made in accordance with this Section 9.3.

Section 9.4. Change in Existing Law. If, after the effective date of this Contract, there is a change in Applicable Law, which alters or amends the responsibilities and obligations of either the Academy or the University Board, this Contract shall be altered or amended to reflect the change in existing laws as of the effective date of such change. To the extent possible, the responsibilities and obligations of the Academy and the University Board shall conform to and be carried out in accordance with the change in Applicable Law.

ARTICLE X

TERMINATION, SUSPENSION AND REVOCATION

Section 10.1. Grounds and Procedures for Academy Termination of Contract. At anytime and for any reason, the Academy Board may terminate this Contract. The Academy

Board shall notify the CSO Director in writing of the request for the termination of the Contract not less than ten (10) calendar months in advance of the effective date of termination. The University Board, in its sole discretion, may waive the ten (10) month requirement. A copy of the Academy Board's resolution approving the Contract termination, including a summary of the reasons for terminating the Contract, shall be included with the written termination request.

Section 10.2. Termination by University Board. The University Board may terminate this Contract before the end of the Contract Term as follows:

(a) Termination Without Cause. Except as otherwise provided in subsections (b), (c) or (d), the University Board, in its sole discretion, reserves the right to terminate this Contract before the end of the Contract Term for any reason provided that such termination shall not take place less than ten (10) calendar months from the date of the University Board's resolution approving such termination. The Charter Schools Office shall provide notice of the termination to the Academy. If during the period between the University Board's action to terminate and the effective date of termination, the Academy has violated the Contract or Applicable Law, the University Board may elect to initiate suspension or revocation of the Contract as set forth in this Article X.

(b) Termination Caused by Change in Applicable Law. Following issuance of this Contract, if there is a change in Applicable Law that the University Board, in its sole discretion, determines impairs its rights and obligations under the Contract or requires the University Board to make changes in the Contract that are not in the best interest of the University Board or the University, then the University Board may terminate the Contract at the end of the Academy's school fiscal year in which the University Board's decision to terminate is adopted. For purposes of this section, a change in Applicable Law includes without limitation the following:

(i) the issuance of an order by the Superintendent of Public Instruction, pursuant to Section 1280c of the Code, placing the Academy under the supervision of the State School Reform/Redesign Officer; or

(ii) the development of, or changes to, a redesign plan by the Academy pursuant to Section 1280c of the Code.

(c) Automatic Termination Caused By Placement of Academy in State School Reform / Redesign School District. If the Academy is notified by the State that the Academy will be placed in the State School Reform/Redesign School District pursuant to Section 1280c of the Code, then the University Board may terminate this Contract at the end of the current school year.

(d) Automatic Termination For Failure to Satisfy Requirements During the Initial Term of Contract. If the Academy fails to satisfy the requirements set forth in Section 12.14 during the initial term of Contract, then this Contract shall automatically terminate on the date set forth in Section 12.14.

The revocation procedures in Section 10.6 shall not apply to a termination of this Contract under this section.

Section 10.3. Contract Suspension. The University Board's process for suspending the Contract is as follows:

- a) University President Action. If the University President determines, in his or her sole discretion, that conditions or circumstances exist that the Academy Board (i) has placed the health or safety of the staff and/or students at risk; (ii) is not properly exercising its fiduciary obligations to protect and preserve the Academy's public funds and property; (iii) has lost its right to occupancy of the physical facilities described in Section 6.11, and cannot find another suitable physical facility for the Academy prior to the expiration or termination of its right to occupy its existing physical facilities; or (iv) has willfully or intentionally violated this Contract or Applicable Law, the University President may immediately suspend the Contract. If the conditions or circumstances involve an alleged violation of Sections 10.5(e) or (f), the University President is authorized to suspend the Contract immediately pending completion of the procedures set forth in Section 10.6. Unless otherwise specified in the suspension notice, the Academy shall cease operations on the date on which the suspension notice is issued. A copy of the suspension notice, setting forth the grounds for suspension, shall be sent to the Academy Board and to the Hearing Panel if applicable. If this subsection is implemented, the notice and hearing procedures set forth in Section 10.6 shall be expedited as much as possible.
- b) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a decision by the University President to suspend the Contract may be retained by the University Board for the Academy until the Contract is reinstated, or shall be returned to the Michigan Department of Treasury.
- c) Immediate Revocation Proceeding. If the Academy Board, after receiving a Suspension Notice from the University President continues to engage in conduct or activities that are covered by the suspension notice, the Hearing Panel may immediately convene a Revocation Hearing in accordance with the procedures set forth in Section 10.6(e) of the Terms and Conditions. The Hearing Panel has the authority to accelerate the time line for revoking the Contract, provided that notice of the revocation hearing shall be provided to the University Charter Schools Office and the Academy Board at least five (5) days before the hearing. If the Hearing Panel determines that the Academy Board has continued to engage in conduct or activities that are covered by the suspension notice, the Hearing Panel may recommend revocation of the Contract. The University Board shall proceed to consider the Hearing Panel's recommendation in accordance with Section 10.6(f) through (i).

Section 10.4 Statutory Grounds for Revocation. In addition to the grounds for an automatic revocation of the Contract as set forth in Section 10.7, this Contract may also be revoked by the University Board upon a determination by the University Board, pursuant to the procedures set forth in Section 10.6, that one or more of the following has occurred:

- a) Failure of the Academy to demonstrate improved pupil academic achievement for all groups of pupils or meet the educational goals set forth in this Contract;
- b) Failure of the Academy to comply with all Applicable Law;
- c) Failure of the Academy to meet generally accepted public sector accounting principles and demonstrate sound fiscal stewardship; or
- d) The existence of one or more other grounds for revocation as specified in this Contract.

Section 10.5. Other Grounds for University Board Revocation. In addition to the statutory grounds for revocation set forth in Section 10.4 and the grounds for an automatic revocation of the Contract set forth in Section 10.7, the University Board may revoke this Contract, pursuant to the procedures set forth in Section 10.6, upon a determination that one or more of the following has occurred:

- a) The Academy is insolvent, has been adjudged bankrupt, or has operated for one or more school fiscal year(s) with a Fund Balance Deficit;
- b) The Academy has insufficient enrollment to successfully operate the Academy, or the Academy has lost more than twenty-five percent (25%) of its student enrollment from the previous school year;
- c) The Academy defaults in any of the terms, conditions, promises or representations contained in or incorporated into this Contract;
- d) The Academy files amendments to its Articles of Incorporation with the Michigan Department of Labor and Economic Growth, Bureau of Commercial Services, without first obtaining University Board approval;
- e) The University Board discovers grossly negligent, fraudulent or criminal conduct by the Applicant, the Academy's directors, officers, employees or agents in relation to their performance under this Contract;
- f) The Applicant, the Academy's directors, officers or employees have provided false or misleading information or documentation to the University Board in connection with the University Board's approval of the Application, the issuance of this Contract, or the Academy's reporting requirements under this Contract or Applicable Law;
- g) The Academy violates the site restrictions set forth in the Contract or the Academy operates at a site or sites without the prior written authorization of the University Board; or
- h) The University Board, its trustees, officers, employees, agents or representatives are not included as third party beneficiaries under any educational management

agreement entered into by the Academy for purposes of indemnifying such parties in accordance with Section 11.11 of the Terms and Conditions.

Section 10.6. University Board Procedures for Revoking Contract. Except for the automatic revocation process set forth in Section 10.7 or the termination of Contract by the University Board in Section 10.2, the University Board's process for revoking the Contract is as follows:

- a) Notice of Intent to Revoke. The CSO Director or other University representative, upon reasonable belief that such grounds for revocation of the Contract exist, shall notify the Academy Board of such grounds by issuing the Academy Board a Notice of Intent to Revoke for non-compliance with the Contract or Applicable Law. The Notice of Intent to Revoke shall be in writing and shall set forth in sufficient detail the alleged grounds for revocation.
- b) Academy Board's Response. Within thirty (30) days of receipt of the Notice of Intent to Revoke, the Academy Board shall respond in writing to the alleged grounds for revocation. The Academy Board's response shall be addressed to the CSO Director, and shall either admit or deny the allegations of non-compliance. If the Academy's response includes admissions of non-compliance with the Contract or Applicable Law, the Academy Board's response must also contain a description of the Academy Board's plan and time line for correcting the non-compliance with the Contract or Applicable Law. If the Academy's response includes a denial of non-compliance with the Contract or Applicable Law, the Academy's response shall include sufficient documentation or other evidence to support a denial of non-compliance with the Contract or Applicable Law. A response not in compliance with this section shall be deemed to be non-responsive. As part of its response, the Academy Board may request that a meeting be scheduled with the CSO Director prior to a review of the Academy Board's response.
- c) Plan of Correction. Within fifteen (15) days of receipt of the Academy Board's response or after a meeting with Academy Board representatives, whichever is sooner, the CSO Director shall review the Academy Board's response and determine whether a reasonable plan for correcting the deficiencies can be formulated. If the CSO Director determines that a reasonable plan for correcting the deficiencies set forth in the Notice of Intent to Revoke can be formulated, the CSO Director shall develop a plan for correcting the non-compliance ("Plan of Correction"). In developing a Plan of Correction, the CSO Director is permitted to adopt, modify or reject some or all of the Academy Board's response for correcting the deficiencies outlined in the Notice of Intent to Revoke. The Notice of Intent to Revoke shall be withdrawn if the CSO Director determines any of the following: (i) the Academy Board's denial of non-compliance is persuasive; (ii) the non-compliance set forth in the Notice of Intent to Revoke has been corrected by the Academy Board; or (iii) the Academy Board has successfully completed the Plan of Correction. In the event the Notice of Intent to Revoke is withdrawn, the CSO Director shall notify the Academy Board, in writing, of such withdrawal.

- d) Plan of Correction May Include Conditions to Satisfy University Board's Contract Reconstitution Obligation. As part of the Plan of Correction, the CSO Director may reconstitute the Academy in an effort to improve student educational performance and to avoid interruption of the educational process. An attempt to improve student educational performance may include, but is not limited to, one of the following actions: (i) removal of 1 or more members of the Academy Board members; (ii) termination of at-will board appointments of 1 or more Academy Board members; (iii) withdrawal of the Academy's authorization to contract with an ESP; or (iv) the appointment of a new Academy Board of directors or a conservator/trustee to take over operations of the Academy. The University Charter Schools Office shall notify the Superintendent of Public Instruction of any Plan of Correction that includes a reconstitution of the Academy to ensure that the Academy is not included on the list of school buildings subject to automatic closure under section 1280c of the Code.
- e) Request for Revocation Hearing. The CSO Director or other University representative may initiate a revocation hearing before the University Charter Schools Hearing Panel if the CSO Director determines that any of the following has occurred:
- i) the Academy Board has failed to timely respond to the Notice of Intent to Revoke as set forth in Section 10.6(b);
 - ii) the Academy Board's response to the Notice of Intent to Revoke is non-responsive;
 - iii) the Academy Board's response admits violations of the Contract or Applicable Law which the CSO Director deems cannot be remedied or cannot be remedied in an appropriate period of time, or for which the CSO Director determines that a Plan of Correction cannot be formulated;
 - iv) the Academy Board's response contains denials that are not supported by sufficient documentation or other evidence showing compliance with the Contract or Applicable Law;
 - v) the Academy Board has not complied with part or all of a Plan of Correction established in Section 10.6(c);
 - vi) the Academy Board has engaged in actions that jeopardize the financial or educational integrity of the Academy; or
 - vii) the Academy Board has been issued multiple or repeated Notices of Intent to Revoke.

The CSO Director or other University representative shall send a copy of the Request for Revocation Hearing to the Academy Board at the same time the request is sent to the Hearing Panel. The Request for Revocation Hearing shall identify the reasons for revoking the Contract.

- f) Hearing before University Charter Schools Hearing Panel. Within thirty (30) days of the date of a Request for Revocation Hearing, the Hearing Panel shall convene a revocation hearing. The Hearing Panel shall provide a copy of the Notice of Hearing to the University Charter Schools Office and the Academy Board at least ten (10) days before the hearing. The purpose of the Hearing Panel is to gather facts surrounding the CSO Director's request for Contract revocation, and to make a

recommendation to the University Board on whether the Contract should be revoked. The revocation hearing shall be held at a location, date and time as determined by the CSO Director or other University Representative. The hearing shall be transcribed by a court reporter and the cost of the court reporter shall be divided equally between the University and the Academy. The CSO Director or his or her designee, and the Academy Board or its designee, shall each have equal time to make their presentation to the Hearing Panel. Although each party is permitted to submit affidavits and exhibits in support of their positions, the Hearing Panel will not hear testimony from any witnesses for either side. The Hearing Panel, may, however, question the CSO Director and one or more members of the Academy Board. Within thirty (30) days of the Revocation Hearing, the Hearing Panel shall make a recommendation to the University Board concerning the revocation of the Contract. In its discretion, the Hearing Panel may extend any time deadline set forth in this subsection. A copy of the Hearing Panel's recommendation shall be provided to the University Charter Schools Office and the Academy Board at the same time that the recommendation is sent to the University Board.

- g) University Board Decision. If the Hearing Panel's recommendation is submitted to the University Board at least fourteen (14) days before the University Board's next regular meeting, the University Board shall consider the Hearing Panel's recommendation at its next regular meeting and vote on whether to revoke the Contract. The University Board reserves the right to modify, reject or approve all or any part of the Hearing Panel's recommendation. The University Board shall have available copies of the Hearing Panel's recommendation and the transcript of the hearing. The University Board may waive the fourteen (14) day submission requirement or hold a special board meeting to consider the Hearing Panel's recommendation. A copy of the University Board's decision shall be provided to the University Charter Schools Office, the Academy Board and the Michigan Department of Education.
- h) Effective Date of Revocation. If the University Board votes to revoke the Contract, the revocation shall be effective on the date of the University Board's act of revocation, or at a later date as determined by the University Board, but no later than the last day of the Academy's current academic year.
- i) Disposition of State School Aid Funds. Notwithstanding any other provision of the Contract, any state school aid funds received by the University Board after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, may be held by the University Board and returned to the Michigan Department of Treasury.
- j) Disposition of District Code Number. Notwithstanding any other provision of the Contract, after a recommendation is made by the Hearing Panel to revoke the Contract, or a decision by the University Board to revoke the Contract, the district code number shall remain under the direction and control of the State Board of Education and/or its designated representative.

Section 10.7. Automatic Revocation by State of Michigan. If the University Board is notified by the Superintendent of Public Instruction that the Academy is subject to closure under Part 6a of the Code (“State’s Automatic Closure Notice”), and the Academy is currently not undergoing a reconstitution as part of a Plan of Correction developed under Section 10.6, then this Contract shall automatically be amended to eliminate the Academy’s authority to operate certain age and grade levels at the site or sites identified in the State’s Automatic Closure Notice. If the State’s Automatic Closure Notice includes all of the Academy’s existing sites, then this Contract shall automatically be revoked at the end of the current school year in which the notice is received without any further action of the University Board or the Academy. The University Board’s revocation procedures set forth in Section 10.6 do not apply to an automatic revocation initiated by the State.

Following receipt of the State’s Automatic Closure Notice, the University Charter Schools Office shall forward a copy of the State’s Automatic Closure Notice to the Academy Board and request a meeting with Academy Board representatives to discuss the Academy’s plans and procedures for the elimination of certain age or grade levels at the identified site or sites, or if all of the Academy’s existing sites are included in the State’s Automatic Closure Notice, then wind-up and dissolution of the Academy corporation at the end of the current school year. All Academy inquiries and requests for reconsideration of the State’s Automatic Revocation Notice shall be directed to the Superintendent of Public Instruction, in a form and manner determined by that office or the Michigan Department of Education.

Section 10.8. Material Breach of Contract. The issuance of an order by the Superintendent of Public Instruction, pursuant to section 1280C of the Code, placing the Academy under the supervision of the State School Reform/ Redesign Officer, shall constitute a material breach of this Contract. Following the issuance of the order, the University Charter Schools Office shall notify the Academy of the material breach and request a meeting with Academy Board representatives to discuss the matter. To remedy the material breach, the Academy shall work toward the development of a corrective action plan that is acceptable to the University Charter Schools Office. In addition to other matters, the corrective action plan shall include the Academy’s redesign plan prepared pursuant to section 1280C of the Code. The development of a corrective action plan under this Section 10.8 shall not in any way limit the rights of the University Board to terminate, suspend, or revoke this Contract.

Section 10.9. Appointment of Conservator/Trustee. Notwithstanding any other provision of the Contract, when the University Board determines that conditions or circumstances exist to lead the University Board to believe that the health, safety, educational or economic interest of the Academy or its students is at risk, the University Board may take immediate action against the Academy pending completion of the procedures described in Sections 10.6. The University Board may appoint a conservator/ trustee to manage the day-to-day operations of the Academy in place of the Academy Board. A conservator/ trustee appointed by the University Board shall have all the powers and authority of the Academy Board under this Contract and Applicable Law. Upon the appointment of a conservator/ trustee, the appointment and term of office for each Academy Board member shall cease. If this section has been implemented and the Hearing Panel under Section 10.6 determines the revocation to be appropriate, the revocation shall become effective immediately upon the University Board’s decision.

ARTICLE XI

PROVISIONS RELATING TO PUBLIC SCHOOL ACADEMIES

Section 11.1. Grand Valley State University Faculty Employment in the Academy. Subject to the ability of the Academy to reach separate agreement on the terms, the Academy is permitted to use University faculty as classroom teachers in any grade.

Section 11.2. The Academy Faculty Appointment to Grand Valley State University Faculty. Nothing in this Contract shall prohibit a member of the Academy faculty from being appointed to or serving as a member of the University faculty.

Section 11.3. Student Conduct and Discipline. The Academy Board shall adopt, abide by and enforce its own set of written policies concerning student conduct and student discipline.

Section 11.4. Insurance. The Academy shall secure and maintain in its own name as the “first named insured” at all times the following insurance coverage:

- a) Property insurance covering all of the Academy’s real and personal property, whether owned or leased;
- b) General/Public Liability with a minimum of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate (Occurrence Form);
- c) Auto Liability (Owned and Non-Owned) with a minimum of one million dollars (\$1,000,000) (Occurrence Form);
- d) Workers’ Compensation or Workers’ Compensation without employees (this is considered minimum premium, “if any” insurance) (statutory limits) and Employers’ Liability insurance with a minimum of one million dollars (\$1,000,000);
- e) Errors & Omissions insurance including Directors & Officers and School Leaders Errors & Omissions Liability insurance with a minimum of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate (Claims Made or Occurrence Form);
- f) Crime including employee dishonesty insurance with a minimum of five hundred thousand dollars (\$500,000);
- g) Employment Practices Liability insurance with a minimum of one million dollars (\$1,000,000) per claim/aggregate (Claims Made or Occurrence Form);
- h) Umbrella with a minimum \$4,000,000 limit and aggregate. Also, an Umbrella policy with an unlimited aggregate is acceptable at a \$2,000,000 limit.

The insurance must be obtained from a licensed mutual, stock, or other responsible company licensed to do business in the State of Michigan. The insurance carrier(s) must be an “A” best rating or better. The Academy may join with other public school academies to obtain insurance if the Academy finds that such an association provides economic advantages to the Academy, provided that each Academy maintains its identity as first named insured.

The Academy shall list the University Board and the University on the insurance policies as an additional insured with primary coverage on insurance coverage listed in (b), (c), (e), and (g) above. The Academy shall have a provision included in all policies requiring notice to the University, at least thirty (30) days in advance, upon termination or non-renewal of the policy or of changes in insurance carrier or policy limit changes. In addition, the Academy shall provide the University President copies of all insurance certificates and endorsements required by this Contract. The Academy shall also provide to the University Charter Schools Office an entire copy of the insurance policies. The Academy may expend funds for payment of the cost of participation in an accident or medical insurance program to insure protection for pupils while attending school or participating in a school program or activity. Other insurance policies and higher minimum may be required depending upon academic offerings and program requirements.

The Academy understands that the University’s insurance carrier periodically reviews the types and amounts of insurance coverage that the Academy must secure in order for the University to maintain insurance coverage for authorization and oversight of the Academy. In the event that the University’s insurance carrier requests additional changes in coverage identified in this Section 11.4, the Academy agrees to comply with any additional changes in the types and amounts of coverage requested by the University’s insurance carrier within thirty (30) days after notice of the insurance coverage change.

Section 11.5. Transportation. The Academy Board may enter into contract with other school districts or other persons, including municipal and county governments, for the transportation of the Academy students to and from school and for field trips. In addition, the Academy Board may use funds received from state school aid payments to pay for student transportation. In the event that the Academy Board contracts for transportation services, the Academy Board shall ensure that the company providing the transportation services is properly licensed in accordance with Applicable Law, and that the company conducts criminal background and history checks on its drivers and other personnel who have direct contact with pupils in accordance with the Code.

Section 11.6. Extracurricular Activities and Interscholastic Sports. The Academy is authorized to join any organization, association, or league, which has as its objective the promotion and regulation of sport and athletic, oratorical, musical, dramatic, creative arts, or other contests by or between pupils.

Section 11.7. Legal Liabilities and Covenants Not to Sue. The Academy and Academy Board members acknowledge and agree that they have no authority to extend the faith and credit of the University or to enter into a contract that would bind the University. The Academy also is limited in its authority to contract by the amount of funds obtained from the state school aid fund, as provided hereunder, or from other independent sources. The Academy and Academy

Board members hereby covenant not to sue the University Board, the University or any of its trustees, officers, employees, agents or representatives for any matters that arise under this Contract or otherwise. The University does not assume any obligation with respect to any Academy Director, employee, agent, parent, guardian, or independent contractor of the Academy, and no such person shall have the right or standing to bring suit against the University Board, the University or any of its Trustees, employees, agents, or independent contractors as a result of the issuing, termination or revocation of this Contract.

Section 11.8. Lease or Deed for Proposed Single Site(s). The Academy shall provide to the designee of the University Board copies of its lease or deed for the premises in which the Academy shall operate. A copy of the Academy's lease or deed and site information shall be incorporated into the Schedules.

Section 11.9. Occupancy and Safety Certificates. The Academy Board shall: (i) ensure that all physical facilities comply with all fire, health and safety standards applicable to schools; and (ii) possess the necessary occupancy and safety certificates. The Academy Board shall not conduct classes at any site until the Academy has complied with this Section 11.9. Copies of these certificates shall be incorporated into the Schedules.

Section 11.10. Deposit of Public Funds by the Academy. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of all public or private funds received by the Academy. Such deposit shall be made within three (3) business days after receipt of the funds by the Academy.

Section 11.11. Educational Service Provider Agreements. The Academy may enter into an ESP Agreement with an ESP to contract out its administrative and/or educational functions and personnel. For the purposes of this Contract, an employee leasing agreement shall be considered an ESP Agreement, and an employee leasing company shall be considered an ESP. Prior to entering any ESP Agreement with an ESP, the Academy shall submit a copy of the final draft ESP Agreement to the University charter Schools Office in a form or manner consistent with the ESP policies of the University Charter Schools Office, which are incorporated into and be deemed part of this Contract. The Charter Schools Office may, from time to time during the term of this Contract, amend the ESP policies and the amended policies shall automatically apply to the Academy without any amendment under Article IX of this Contract. The University Charter Schools Office may disapprove the proposed ESP Agreement submitted by the Academy if the ESP Agreement is contrary to this Contract or Applicable Law. Any subsequent amendment to an ESP Agreement shall be submitted for review by the University Charter Schools Office in the same form and manner as a new ESP Agreement.

Section 11.12. Required Provisions for Educational Service Provider Agreements. Any ESP agreement entered into by the Academy must contain the following provisions:

"Indemnification of Grand Valley State University. The parties acknowledge and agree that the Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand

Valley State University and its members, officers, employees, agents or representatives from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University, which arise out of or are in any manner connected with Grand Valley State University Board's approval of the Application, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy or the ESP, or which arise out of the failure of the Academy to perform its obligations under the Contract issued to the Academy by Grand Valley State University Board of Trustees. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers, employees, agents or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement."

"Revocation or Termination of Contract. If the Academy's Contract issued by the Grand Valley State University Board of Trustees is revoked or terminated, this Agreement shall automatically terminate on the same date as the Academy's Contract is revoked or termination without further action of the parties."

"Compliance with Academy's Contract. The ESP agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the Academy's obligations under the Academy's Contract issued by Grand Valley State University Board of Trustees. The provisions of the Academy's Contract shall supersede any competing or conflicting provisions contained in this Agreement."

"Compliance with Section 503c. On an annual basis, the ESP agrees to provide the Academy Board with the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Academy Board shall make the information available on the Academy's website home page, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c of the Code, MCL 380.503c, shall have the same meaning in this Agreement."

Section 11.13. Incompatible Public Offices and Conflicts of Interest Statutes. The Academy shall comply with the Incompatible Public Offices statute, Act No. 566 of the Public Acts of 1978, being MCL 15.181 to 15.185 of the Michigan Compiled Laws, and the Contracts of Public Servants With Public Entities statute, Act No. 371 of the Public Acts of 1968, being MCL 15.321 to 15.330 of the Michigan Compiled Laws. The Academy Board shall ensure compliance with Applicable Law relating to conflicts of interest. Notwithstanding any other provision of this Contract, the following shall be deemed a prohibited conflict of interest for purposes of this Contract:

(a) An individual simultaneously serving as an Academy Board member and an owner, officer, director, employee or consultant of an educational service provider or an employee leasing company that has an ESP agreement with the Academy;

(b) An individual simultaneously serving as an Academy Board member and an Academy employee;

(c) An individual simultaneously serving as an Academy Board member and an independent contractor to the Academy;

(d) An individual simultaneously serving as an Academy Board member and as a member of the governing board of another public school; and

(e) An individual simultaneously serving as an Academy Board member and a University employee, official, or consultant, to the University.

Section 11.14. Certain Familial Relationships Prohibited. The Academy Board shall prohibit specifically identified family relationships pursuant to applicable law and the Terms and Conditions of this contract. Notwithstanding any other provision of this Contract, the following shall be deemed prohibited familial relationships for the purposes of this Contract:

(a) No person shall be appointed or reappointed to serve as an Academy Board member if the person's mother, mother-in-law, father, father-in-law, son, son-in-law, daughter, daughter-in-law, sister, sister-in-law, brother, brother-in-law, spouse or same-sex domestic partner:

- (i) Is employed by the Academy;
- (ii) Works at or is assigned to the Academy
- (iii) Has an ownership, officer, policy making, managerial, administrative, non-clerical or other significant role with the Academy's ESP or employee leasing company.

Section 11.15. Dual Employment Positions Prohibited. Any person working at the Academy is prohibited by law from being employed at the Academy in more than one full-time position and simultaneously being compensated for each position.

Section 11.16. Oath of Public Office. Academy Board members are public officials. Before entering upon the duties of a public school board member, each Academy Board member shall take, sign, and file the constitutional oath of office with the Charter Schools Office.

Section 11.17. Information Available to the Public and University.

(a) Information to be provided by the Academy. In accordance with Applicable Law, the Academy shall make information concerning its operation and management, including without limitation information in Schedule 6, available to the public and University in the same manner and to the same extent as is required for public schools and school districts.

(b) Information to be provided by Educational Service Providers. The agreement between the Academy and the ESP shall contain a provision requiring the ESP to make information concerning the operation and management of the Academy, including the information in Schedule 6, available to the Academy as deemed necessary by the Academy Board in order to enable the Academy to fully satisfy its obligations under subparagraph (a).

Section 11.18. University Board Invitation to Apply to Convert Academy to School of Excellence. If the University Board is interested in accepting applications to issue contracts to charter Schools of Excellence under Part 6e of the Code, MCL 380.551 et seq. ("Part 6e"), and the University Board determines that the Academy meets the University Board's and the Code's eligibility criteria for applying to convert the Academy to a School of Excellence, then the University Board may invite the Academy to submit an application to apply for a contract to convert the Academy to a School of Excellence. In accordance with the Code, the University Board shall establish its own competitive application process and provide the necessary forms and procedures to eligible public school academies.

ARTICLE XII

GENERAL TERMS

Section 12.1. Notices. Any and all notices permitted or required to be given hereunder shall be deemed duly given; (i) upon actual delivery, if delivery by hand; or (ii) upon delivery into United States mail if delivery is by postage paid first class mail. Each such notice shall be sent to the respective party at the address indicated below or to any other person or address as the respective party may designate by notice delivered pursuant hereto:

If to Grand Valley State University Board of Trustees:

Charter Schools Office Director
Grand Valley State University
201 Front Avenue, SW., Suite 310
Grand Rapids, Michigan 49504

If to Academy:

Taylor Preparatory High School
Board President
9540 Telegraph Road
Taylor, MI 48180

Section 12.2. Severability. If any provision in this Contract is held to be invalid or unenforceable, it shall be ineffective only to the extent of the invalidity, without affecting or impairing the validity and enforceability of the remainder of the provision or the remaining provisions of this Contract. If any provision of this Contract shall be or become in violation of Applicable Law, such provision shall be considered null and void, and all other provisions shall remain in full force and effect.

Section 12.3. Successors and Assigns. The terms and provisions of this Contract are binding on and shall inure to the benefit of the parties and their respective successors and permitted assigns.

Section 12.4. Entire Contract. This Contract sets forth the entire agreement between the University Board and the Academy with respect to the subject matter of this Contract. All prior

application materials, contracts, representations, statements, negotiations, understandings, and undertakings, are superseded by this Contract.

Section 12.5. Assignment. This Contract is not assignable by either party.

Section 12.6. Non-Waiver. Except as provided herein, no term or provision of this Contract shall be deemed waived and no breach or default shall be deemed excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. No consent by any party to, or waiver of, a breach or default by the other, whether expressed or implied, shall constitute a consent to, waiver of, or excuse for any different or subsequent breach or default.

Section 12.7. Indemnification. As a condition to receiving a grant of authority from the University Board to operate a public school pursuant to the terms and conditions of this Contract, the Academy agrees to indemnify and hold the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives harmless from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of the University, which arise out of or are in any manner connected with the University Board's receipt, consideration or approval of the Application, the University Board's approval of the Method of Selection Resolution or the Authorizing Resolution, legal challenges to the validity of Part 6a of the Code or actions taken by the University Board as an authorizing body under Part 6a of the Code, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance of the University Board, the University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy, or which arise out of the failure of the Academy to perform its obligations under this Contract. The foregoing provision shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Governmental Liability for Negligence Act, being Act No. 170, Public Acts of Michigan, 1964.

Section 12.8. Construction. This Contract shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared the Contract.

Section 12.9. Force Majeure. If any circumstances occur which are beyond the control of the parties, which delay or render impossible the obligations of one or both of the parties, the parties' obligations to perform such services shall be postponed for an equivalent period of time or shall be canceled, if such performance has been rendered impossible by such circumstances.

Section 12.10. No Third Party Rights. This Contract is made for the sole benefit of the Academy and the University Board and no other person or entity, including without limitation, the ESP. Except as otherwise provided, nothing in this Contract shall create or be deemed to create a relationship between the parties hereto, or either of them, and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.

Section 12.11. Non-agency. It is understood that the Academy is not the agent of the University.

Section 12.12. Governing Law. This Contract shall be governed and controlled by the laws of the State of Michigan as to interpretation, enforcement, validity, construction, and effect, and in all other respects.

Section 12.13. Counterparts. This Contract may be executed in any number of counterparts. Each counterpart so executed shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

Section 12.14. Term of Contract.

(a) Initial Term of Contract. Except as otherwise provided in Section 12.14 (b) set forth below, this Contract shall commence on July 1, 2013, and shall remain in full force and effect for seven (7) years until June 30, 2020, unless sooner terminated according to the terms hereof.

(b) Termination of Contract During Initial Term of Contract. Consistent with the procedures set forth in this Section 12.14(b), this Contract will terminate on June 30, 2020, if the Academy fails to satisfy all of the following conditions:

- (i) The Academy shall provide to the Charter Schools Office Director a copy of the Academy's agreements with any Educational Service Provider. The terms and conditions of the agreements must be acceptable to the University President.
- (ii) The Academy shall provide to the Charter Schools Office Director a copy of the Academy's real property leases, sublease or other agreements set forth in the Schedules.
- (iii) The Academy, through legal counsel, shall provide a legal opinion to the Charter Schools Office Director confirming that the Academy Board's approval and execution of any real property lease or other agreement with Educational Service Providers complies with the Contracts of Public Servants with Public Entities statute, MCL 15.321 et seq.
- (iv) The Academy shall provide to the Charter Schools Office Director, if applicable, a copy of an AHERA asbestos plan and lead based paint survey for the site or sites set forth in the Schedules.
- (v) The Academy shall provide to the Charter Schools Office Director, if applicable, a copy of a current boiler inspection/ approval for the site or sites set forth in the Schedules.
- (vi) The Academy shall provide documentation to the Charter Schools Office Director confirming that the Academy has received occupancy approval

from the Michigan Department of Consumer and Industry Services' Office of Fire Safety for the site or sites set forth in the Schedules.

- (vii) The Academy shall provide documentation to the Charter Schools Office Director that it has obtained a short-term cash flow loan to cover the initial cost of operations for the initial academic year. The Academy shall comply with section 1225 of the Revised School Code and the Revised Municipal Finance Act with respect to approving and obtain such funds.
- (viii) Any additional financial information or documentation requested by the University President.
- (ix) If the Academy, for any reason, is unable to enroll students and conduct classes by October 1, 2013, then this Contract is automatically terminated without further action of the parties

The Academy shall notify the Charter Schools Office in writing following completion of the conditions set forth in this Section 12.14(b). For good cause, the Charter Schools Office Director may extend the deadlines set forth above. If the Charter Schools Office Director determines that the Academy has not satisfied the conditions set forth in this Section 12.14(b), the Charter Schools Office Director shall issue a Contract termination letter to the Academy for failing to meet certain conditions set forth in this Section 12.14(b). The issuance of the termination letter by the Charter Schools Office Director shall automatically terminate this Contract without any further action by either the University Board or the Academy Board. Upon issuance of the termination letter, the Charter Schools Office Director shall notify the Superintendent of Public Instruction and the Michigan Department of Education that the Contract has been terminated.

(c) Extended Term of Contract. If the Academy satisfies the conditions set forth above in Section 12.14(b), the Academy will be eligible for consideration of a new contract term.

Section 12.15. Survival of Provisions. The terms, provisions, and representations contained in Section 11.4, Section 11.17, Section 11.12, and Section 12.7, and any other provision of this Contract that by their sense and context are intended to survive termination of this Contract shall survive.

Section 12.16. Termination of Responsibilities. Upon termination or revocation of this Contract, the University Board and its designees shall have no further obligations or responsibilities under this Contract to the Academy or any other person or persons in connection with this Contract.

Section 12.17. Disposition of Academy Assets Upon Termination or Revocation of Contract. Following termination or revocation of the Contract, the Academy shall follow the applicable wind-up and dissolution provisions set forth in the Academy's articles of incorporation and in accordance with Applicable Law.

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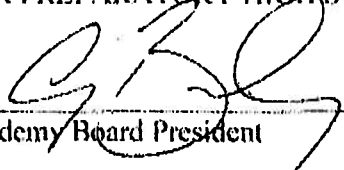
As the designated representative of the Grand Valley State University Board of Trustees, I hereby issue this Contract to the Academy on the date set forth above.

GRAND VALLEY STATE UNIVERSITY
BOARD OF TRUSTEES

By: 
University President or his/her designee

As the authorized representative of the Academy, I hereby certify that the Academy is able to comply with the Contract and all Applicable Law, and that the Academy, through its governing board, has approved and agreed to comply with and be bound by the terms and conditions of this Contract.

TAYLOR PREPARATORY HIGH SCHOOL

By: 
Academy Board President

AMENDMENT TO CONTRACT TO CHARTER A PUBLIC SCHOOL ACADEMY

BETWEEN

TAYLOR PREPARATORY HIGH SCHOOL
(A PUBLIC SCHOOL ACADEMY)
AND

GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES
(AUTHORIZING BODY)

In accordance with Section 9.1 of the Terms and Conditions of the Contract ("Contract") dated July 1, 2013, issued by the GRAND VALLEY STATE UNIVERSITY BOARD OF TRUSTEES ("University Board") to TAYLOR PREPARATORY HIGH SCHOOL ("Academy"), the parties agree to the following:

1. The following Contract Schedule is amended:
 - a. Amend Schedule 7-8, Address and Description of Proposed Physical Plant; Lease or Deed for Proposed Site, and Occupancy Certificate, by adding the language attached as Tab A to the end of the schedule.

The undersigned have read, understand and agree to comply with and be bound by the terms of and the conditions set forth in this Amendment to the Contract.

TAYLOR PREPARATORY HIGH
SCHOOL

By: 

James Dinnan

Its: Board President

Date: 8/7/14

GRAND VALLEY STATE UNIVERSITY
BOARD OF TRUSTEES

By: 

Timothy H. Wood, Ph.D.

Its: Authorized Designee

Date: 8/22/14

FIRST AMENDMENT TO LEASE AGREEMENT

THIS LEASE AMENDMENT is effective July 1, 2014 and is entered into by and between PREPNET, LLC, a Michigan limited liability company ("Landlord") and TAYLOR PREPARATORY HIGH SCHOOL, a public school academy, chartered under the laws of the State of Michigan ("Tenant").

RECITALS

A. Landlord and Tenant entered into a real estate lease dated July 1, 2013 (the "Lease"), whereby Tenant leased real estate and improvements from Landlord.

B. Tenant and Landlord now desire to amend the Lease upon the following terms and conditions.

The parties agree as follows:

1. **Rent.** Paragraph 3.1 of the Lease is hereby deleted in its entirety and replaced as follows:

3.1 **Annual Rent.** Tenant hereby leases said Premises for the Term above stated and agrees to pay Landlord annual rent of Two-Hundred Sixty-Four Thousand Eight-Hundred and No/100 Dollars (\$264,800), ("Annual Rent") in twelve (12) equal monthly installments of Twenty-Two Thousand Sixty-Six and 66/100 Dollars (\$22,066.66) (each, a "Monthly Installment") each payable to Landlord (or to such other "Person" (defined in Section 22.9) or agent as Landlord may specify by written notice to Tenant) in advance on the first day of each calendar month during the Term. The term "Lease Year" is defined to mean any twelve month period from July 1 to June 30 of the following year, during the Term. If the Term ends before the end of a Lease Year, Annual Rent shall be prorated on a daily basis and paid in advance by Tenant on the first day of the last calendar month during the Term. Annual Rent may be adjusted upon determination of final costs for acquisition and construction of the Premises.

2. **Survival.** Except as expressly set forth above, all of the remaining terms and conditions of the Lease shall continue in full force and effect.

LANDLORD:

PREPNET, LLC
a Michigan Limited Liability Company

By: _____

Jason Pater
Its: Manager

TENANT:

TAYLOR PREPARATORY HIGH SCHOOL
a Public School Academy

By: _____

Cody Bailey
Its: Board President

SCHEDULE 1

**METHOD OF SELECTION RESOLUTION
AUTHORIZING RESOLUTION**



CERTIFIED COPY OF RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF
GRAND VALLEY STATE UNIVERSITY ON FEBRUARY 8, 2013:

Authorization of Taylor Preparatory High School 6a Contract

WHEREAS, the Michigan Legislature has provided for the establishment of public school academies as part of the Michigan public school system by enacting Act No. 362 of the Public Acts of 1993; and

WHEREAS, according to this legislation, the Grand Valley State University Board of Trustees (the "Board of Trustees"), as the governing body of a state public university, is an authorizing body empowered to issue contracts to organize and operate public school academies; and

WHEREAS, the Michigan Legislature has mandated that public school academy contracts be issued on a competitive basis taking into consideration the resources available for the proposed public school academy, the population to be served by the proposed public school academy, and the educational goals to be achieved by the proposed public school academy; and

WHEREAS, the Grand Valley State University Board of Trustees, having requested applications for organizing public school academies and having reviewed the applications according to the provisions set forth by the Michigan Legislature;

NOW, THEREFORE, BE IT RESOLVED:

1. That the application for Taylor Preparatory High School ("Academy"), located at 9540 Telegraph Road, Taylor, Michigan 48180, submitted under Section 502 of the Revised School Code, meets the Board of Trustees' requirements and the requirements of applicable law, is therefore approved;
2. That the Board of Trustees establishes the method of selection, length of term and number of members of the Academy's Board of Directors as follows:

Method of Selection and Appointment of Academy Board Members:

- a. Initial Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office (“Director”), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
- c. Exigent Appointments: When the Director determines an “exigent condition” exists which requires him/her to make an appointment to a public school academy’s board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy’s board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member’s service is no

longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.

3. Qualifications of Academy Board Members: To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
4. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
5. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees may remove an Academy board member with or without cause and shall specify the date when the Academy Board member's service ends. An Academy Board member may be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

6. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall

be effective upon the date the Director sends confirmation to the resigning Academy Board member.

7. Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:

- a. Resigns
- b. Dies
- c. Is removed from Office
- d. Is convicted of a felony
- e. Ceases to be qualified
- f. Is incapacitated

8. Filling a Vacancy: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

9. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.

10. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)

11. Manner of Acting: The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

12. Initial Members of the Board of Directors: The Grand Valley State University Board of Trustees appoints the following persons to serve as the initial members of the Academy's Board of Directors for the designated term of office set forth below:

Cody A. Bailey

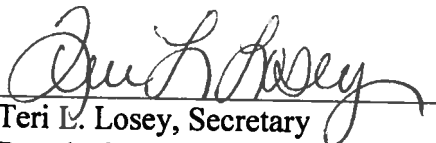
1 year term expiring June 30, 2014

Donald T. Coleman
Audrey Spalding

2 year term expiring June 30, 2015
3 year term expiring June 30, 2016

13. The Board of Trustees approves and authorizes the execution of a contract to charter a public school academy to the Academy and authorizes the University President or designee to issue a contract to charter a public school academy and related documents ("Contract") to the Academy, provided that, before execution of the Contract, the University President or designee affirms that all terms of the contract have been agreed upon and the Academy is able to comply with all terms and conditions of the Contract and Applicable Law. This resolution shall be incorporated in and made part of the Contract.
14. Within ten days after the Board of Trustees issues the Contract, the Director will submit the Contract to the Michigan Department of Education. Pursuant to the State School Aid Act of 1979, the Michigan Department of Education shall, within thirty days after the Contract is submitted to the Michigan Department of Education, issue a district code number to each public school academy that is authorized under the Revised School Code and is eligible to receive funding under the State School Aid Act. By approving and issuing the Contract, the Board of Trustees is not responsible for the Michigan Department of Education's issuance or non-issuance of a district code number. As a condition precedent to the Board of Trustees' issuance of the Contract, the Applicant, the Academy and the Academy's Board of Directors shall acknowledge and agree that the Board of Trustees, Grand Valley State University, its officers, employees and agents are not responsible for any action taken by the Academy in reliance upon the Michigan Department of Education's issuance of a district code number to the Academy, or for any Michigan Department of Education's decision resulting in the non-issuance of a district code number to the Academy.

IN WITNESS WHEREOF, I have hereunto signed my name as Secretary and have caused the seal of said body corporate to be hereto affixed this 12th day of February 2013.


Teri L. Losey, Secretary
Board of Trustees
Grand Valley State University

SCHEDULE 2

ARTICLES OF INCORPORATION

Michigan Department of Licensing and Regulatory Affairs

Filing Endorsement

This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT

for

TAYLOR PREPARATORY HIGH SCHOOL

ID NUMBER: 71276J

received by facsimile transmission on January 31, 2013 is hereby endorsed

Filed on February 4, 2013 by the Administrator.

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 4TH day of February, 2013.

Director

Bureau of Commercial Services

BCS/CD-502 (Rev.10/08)

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH BUREAU OF COMMERCIAL SERVICES			
Date Received		(FOR BUREAU USE ONLY)	
		This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.	
Name			
Address			
City	State			Zip Code
			EFFECTIVE DATE:

Document will be returned to the name and address you enter above.
If left blank document will be mailed to the registered office.

--

ARTICLES OF INCORPORATION
For use by Domestic Nonprofit Corporations
 (Please read information and instructions on the last page)

Pursuant to the provisions of the Michigan Nonprofit Corporation Act of 1982, as amended (the "Act"), being MCL 450.2101 et seq. and Part 6A of the Revised School Code (the "Code"), as amended, being Sections 380.501 to 380.507 of the Michigan Compiled Laws, the undersigned corporation executes the following Articles:

ARTICLE I

The name of the corporation is: **Taylor Preparatory High School.**

The authorizing body for the corporation is: **Grand Valley State University ("GVSU") Board of Trustees, ("Board of Trustees"), 1 Campus Drive, Allendale, Michigan 49401.**

ARTICLE II

The purposes for which the corporation is organized are:

1. Specifically, the corporation is organized for the purposes of operating as a public school academy in the State of Michigan pursuant to Part 6A of the Code, being Sections 380.501 to 380.507 of the Michigan Compiled Laws.
2. The corporation, including all activities incident to its purposes, shall at all times be conducted so as to be a governmental entity pursuant to Section 115 of the United States Internal Revenue Code ("IRC") or any successor law. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activity not permitted to be carried on by a governmental instrumentality exempt from federal income tax under Section 115 of the IRC or by a nonprofit corporation organized under the laws of the State of Michigan and subject to a Contract authorized under the Code.

ARTICLE III

1. The corporation is organized upon a Nonstock basis.
2. a. If organized on a nonstock basis, the description and value of its real property assets are: (if none, insert "none")

Real Property: none

b. The description and value of its personal property assets are: (if none, insert "none")

Personal Property: none

c. The corporation is to be financed under the following general plan:

 - a. State school aid payments received pursuant to the State School Aid Act of 1979 or any successor law.
 - b. Federal funds.
 - c. Donations
 - d. Fees and charges permitted to be charged by public school academics.
 - e. Other funds lawfully received.

d. The corporation is organized on a Directorship basis.

ARTICLE IV

1. The name of the resident agent at the registered office:
Mr. Jason Pater
2. The address of the registered office is:
3755 36th Street SE Suite 250, Grand Rapids, MI 49512

(Street Address)

(City)

(ZIP Code)

3. The mailing address of the registered office, if different than above:

_____, Michigan _____
(Street Address) (City) (ZIP Code)

ARTICLE V

The name(s) and address(es) of the incorporator(s) is (are) as follows:

Name

Joseph B. Urban

Residence or Business Address

**151 S. Old Woodward Avenue, Suite 200
Birmingham, MI 48009**

ARTICLE VI

The corporation is a governmental entity.

ARTICLE VII

Before execution of a contract to charter a public school academy between the Academy Board and the Board of Trustees, the method of selection, length of term, and the number of members of the Academy Board shall be approved by a resolution of the Board of Trustees as required by the Code.

The members of the Academy Board shall be selected by the following method:

1. **Method of Selection and Appointment of Academy Board Members:**

- a. **Initial Academy Board Member Nominations and Appointments:** As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Board of Trustees, he/she shall include recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for appointment, the nominees must have completed the required board member candidate application materials, including at least (i) the Academy Board Member Questionnaire prescribed by the University Charter Schools Office; and (ii) the Criminal Background Check Report prescribed by the University Charter Schools Office.
- b. **Subsequent Academy Board Member Nominations and Appointments:** Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the

appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The Director may or may not recommend the proposed nominee submitted by the Academy Board. If the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The Board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.

- c. **Exigent Appointments:** When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of directors, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting held by the Board of Trustees when a regular appointment may be made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, when a Academy Board cannot reach a quorum, when the Board of Trustees determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
2. **Qualifications of Academy Board Members:** To be qualified to serve on the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
3. **Oath /Acceptance of Office / Voting Rights:** Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.
4. **Length of Term; Removal:** An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of

service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees may remove an Academy board member with or without cause and shall specify the date when the Academy Board member's service ends. An Academy Board member may be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

5. **Resignations:** A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.
6. **Vacancy:** An Academy Board position shall be considered vacant when an Academy Board member:
 - a. Resigns
 - b. Dies
 - c. Is removed from Office
 - d. Is convicted of a felony
 - e. Ceases to be qualified
 - f. Is incapacitated
7. **Filling a Vacancy:** The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.
8. **Number of Academy Board Member Positions:** The number of member positions of the Academy Board of Directors shall be five (5), seven (7) or nine (9), as determined from time to time by the Academy Board.
9. **Quorum:** In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

# of Academy Board positions	# required for Quorum
Five (5)	Three (3)
Seven (7)	Four (4)
Nine (9)	Five (5)
10. **Manner of Acting:** The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

# of Academy Board positions	# for Quorum	# required to act
Five (5)	Three (3)	Three (3)
Seven (7)	Four (4)	Four (4)
Nine (9)	Five (5)	Five (5)

ARTICLE VIII

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its directors, board, officers or other private persons, or organization organized and operated for a profit (except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in the furtherance of the purposes set forth in Article II hereof). Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a governmental entity exempt from Federal Income Tax under Section 115 of the IRC, or comparable provisions of any successor law.

To the extent permitted by law, upon the dissolution of the corporation, the board shall after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation to the Board of Trustees for forwarding to the State School Aid Fund established under Article IX, Section 11 of the Constitution of the State of Michigan of 1963, as amended.

ARTICLE IX

The corporation and its incorporators, board members, officers, employees, and volunteers have governmental immunity as provided in Section 7 of Act No. 170 of the Public Acts of 1964, being Sections 691.1407 of the Michigan Compiled Laws.

ARTICLE X

These Articles of Incorporation shall not be amended except by the process provided in the contract executed by the Academy Board and the Board of Trustees.

ARTICLE XI

The Academy Board shall have all the powers and duties permitted by law to manage the business, property and affairs of the corporation.

ARTICLE XII

A volunteer director is not personally liable to the corporation for monetary damages for a breach of the director's fiduciary duty. This provision shall not eliminate or limit the liability of a director for any of the following:

- (i) A breach of the director's duty of loyalty to the corporation;

- (ii) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- (iii) A violation of Section 551(1) of the Michigan Nonprofit Corporation Act;
- (iv) A transaction from which the director derived an improper personal benefit;
- (v) An act or omission that is grossly negligent.

If the corporation obtains tax exempt status under section 501(c)(3) of the internal revenue code, the corporation assumes all liability to any person other than the corporation for all acts or omissions of a volunteer director occurring on or after the filing of the Articles incurred in the good faith performance of the volunteer director's duties.

This article shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Government Liability for Negligence Act, being Act No. 170, Public Acts of Michigan, 1964.

ARTICLE XIII

The corporation assumes the liability for all acts or omissions of a non-director volunteer, provided that:

- (i) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority;
- (ii) The volunteer was acting in good faith;
- (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct;
- (iv) The volunteer's conduct was not an intentional tort; and

The volunteer's conduct was not a tort arising out of the ownership, maintenance or use of a motor vehicle as described in Section 209(e)(v) of the Michigan Nonprofit Corporation Act.

This article shall not be deemed a relinquishment or waiver of any kind of Section 7 of the Governmental Liability for negligence Act, being Act No. 170, Public Acts of Michigan, 1964

ARTICLE XIV

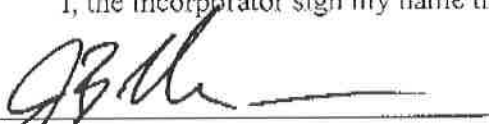
The officers of the Academy Board shall be a President, Vice-President, Secretary and a Treasurer, each of whom shall be selected by the Board of Directors. The Academy Board may

select one or more Assistants to the officers, and may also appoint such other officers and agents as they may deem necessary for the transaction of the business of the corporation.

ARTICLE XV

The Articles of Incorporation shall become effective upon filing. However, the corporation shall not carry out the purposes set forth in Article II unless/or until the Board of Trustees issues to the Academy Board a contract to operate as a public school academy, and the contract is executed by both the Academy Board and the Board of Trustees.

I, the incorporator sign my name this 28th day of January, 2013.



Joseph B. Urban

SCHEDULE 3

BYLAWS

TABLE OF CONTENTS

BY LAWS

	<u>Page</u>
Article I. Name of PSA	
Article II. Form of Academy	
Article III. Offices	
1. Principle Office	
2. Registered Office	
Article IV. Board of Directors.....	
1. General Powers	
2. Method of Selection and Appointment.....	
3. Compensation	
Article V. Meetings.....	
1. Regular Meetings	
2. Special Meetings	
3. Notice; Waiver	
4. Open Meetings Act	
5. Presumption of Assent	
Article VI. Committees	
1. Committees	
Article VII. Officers of the Board	
1. Number	
2. Election and Term of Office	
3. Removal	
4. Vacancies	
5. President.....	
6. Vice-President.....	
7. Secretary	
8. Treasurer	
9. Assistants and Acting Officers.....	
10. Salaries	
11. Filling More Than One Office	

Article VIII.	Contracts, Loans, Checks and Deposits; Special Corporate Acts.....	
1.	Contracts	
2.	Loans.....	
3.	Checks, Drafts, ect.	
4.	Deposits.....	
5.	Voting of securities Owned by this Corporation.....	
6.	Contracts between Corporation and Related Persons	
Article IX.	Indemnification	
Article X.	Fiscal Year, Budget and Uniform Budgeting and Accounting.....	
Article XI.	Seal.....	
Article XII.	Amendments	
Certification	.....

BYLAWS
OF
TAYLOR PREPARATORY HIGH SCHOOL

ARTICLE I

This organization shall be called Taylor Preparatory High School (The "Academy" of the "corporation").

**ARTICLE II FORM
OF ACADEMY**

The Academy is organized as a non-profit, non-stock, directorship corporation.

**ARTICLE III
OFFICES**

Section 1. Principle Office. The principle office of the Academy shall be located in the State of Michigan.

Section 2. Registered Office. The registered office of the Academy shall be 9540 Telegraph Road, Taylor, MI 48180. It must be located in the state of Michigan, and be the business office of the registered agent, as required by the Michigan Nonprofit Corporation Act.

**ARTICLE IV BOARD OF
DIRECTORS**

Section 1. General Powers. The business, property and affairs of the Academy shall be managed by the Academy Board of Directors ("Academy Board"). The Academy Board may exercise any and all of the powers granted to it under the Michigan Nonprofit Corporation Act or pursuant to Part 6A of the Revised School code ("Code"). The Academy Board may delegate said powers to the officers and committees of the Academy Board as it deems appropriate or necessary, as long as such delegation is consistent with the Articles, these Bylaws, the Contract and Applicable Law.

Section 2. Method of Selection and Appointment. Nomination and appointment to the Academy Board shall be handled in the following manner:

1. Method of Selection and Appointment of Academy Board Members:
 - a. Initial Academy Board Member Nominations and Appointments: As part of the public school academy application, the public school academy applicant shall propose to the Director of the University Charter Schools Office ("Director"), the names of proposed individuals to serve on the initial board of directors of the proposed public school academy. When the Director recommends an initial contract for approval to the Grand Valley State University Board of Trustees ("Board of Trustees"), he/she shall include

recommendations for initial Academy Board members. These recommendations may, but are not required to, include individuals proposed by the public school academy applicant. To be considered for the appointment, the nominees must have completed the required board member Questionnaire prescribed by the University Charter Schools office; and (ii) the criminal Background Check Report prescribed by the University Charter Schools Office.

- b. Subsequent Academy Board Member Nominations and Appointments: Except as provided in paragraph (2) below, the Academy Board may nominate individuals for subsequent Academy Board of Director positions. As part of the appointment process, the Academy Board may submit to the Director positions. As part of the appointment process, the Academy Board may submit to the Director: (i) the name of the nominee; (ii) the board member candidate application materials identified in paragraph (a) above; and (iii) a copy of the Academy Board nominating resolution. The director may or may not recommend a nominee submitted by the Academy Board, the Director does not recommend a nominee submitted by the Academy Board, the Director shall select a nominee and forward that recommendation to the Board of Trustees for appointment. The board of Trustees shall have the sole and exclusive right to appoint members to the Academy Board.
 - c. Exigent Appointments: When the Director determines an "exigent condition" exists which requires him/her to make an appointment to a public school academy's board of director, the Director, with University President approval, may immediately appoint a person to serve as a public school academy board member for the time specified, but not longer than the next meeting made by the Board of Trustees. The Director shall make the appointment in writing and notify the public school academy's board of directors of the appointment. Exigent conditions include, but are not limited to when an Academy Board seat is vacant, determines that an Academy Board member's service is no longer required, when an Academy Board member is removed, when an Academy Board fails to fill a vacancy, or other reasons which would prohibit the Academy Board from taking action without such an appointment.
2. Qualifications of Academy Board Members: To be qualified to serve of the Academy Board, a person shall: (a) be a citizen of the United States; (b) reside in the State of Michigan; (c) submit all materials requested by the GVSU Charter Schools Office including, but not limited to, a GVSU Academy Board Member Questionnaire and a release for criminal history background check; (d) not be an employee of the Academy; (e) not be a director, officer, or employee of a company or other entity that contracts with the Academy; and (f) not be an employee or representative of GVSU or be a member of the Board of Trustees.
3. Oath /Acceptance of Office / Voting Rights: Following appointment by the Board of Trustees, Academy Board Appointees may begin their legal duties, including the right to vote, after they have signed an Acceptance of Public Office form and taken the Oath or

Affirmation of Public Office administered by a member of the Academy Board, other public official or notary public.

4. Length of Term; Removal: An appointed Academy Board member is an "at will" board member who shall serve at the pleasure of the Board of Trustees for a term of office not to exceed three (3) years. Regardless of the length of term, terms shall end on June 30 of the final year of service, unless shorter due to other provisions of this resolution. A person appointed to serve as an Academy Board member may be reappointed to serve additional terms. When an Academy Board member is appointed to complete the term of service of another Academy Board member, their service ends at the end of the previous Academy Board member's term.

If the Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees may remove an Academy Board member with or without cause and shall specify the date when the Academy Board member's service ends. An Academy Board member may be removed from the office by a two-thirds (2/3) vote of the Academy's Board for cause.

5. Resignations: A member of the Academy Board may resign from office by submitting a written resignation or by notifying the Director. The resignation is effective upon receipt by the Director, unless a later date is specified in the resignation. A written notice of resignation is not required. If no such written notification is provided, then the Director shall confirm a resignation in writing. The resignation shall be effective upon the date the Director sends confirmation to the resigning Academy Board member.

6. Vacancy: An Academy Board position shall be considered vacant when an Academy Board member:

- a. Resigns
- b. Dies
- c. Is removed from Office
- d. Is convicted of a felony
- e. Ceases to be qualified
- f. Is incapacitated

7. Filling a Vacancy: The Academy Board may nominate and the Director shall recommend or temporarily appoint persons to fill a vacancy as outlined in the "Subsequent Appointments" and "Exigent Appointments" procedures in this resolution.

8. Number of Academy Board Member Positions: The number of member positions of the Academy Board of Directors shall be five (5), seven (7), or nine (9), as determined from time to time by the Academy Board.

9. Quorum: In order to legally transact business the Academy Board shall have a quorum physically present at a duly called meeting of the Academy Board. A "quorum" shall be defined as follows:

of Academy Board positions

Five (5)
Seven (7)
Nine (9)

required for Quorum

Three (3)
Four (4)
Five (5)

10. Manner of Acting: The Academy Board shall be considered to have "acted," when a duly called meeting of the Academy Board has a quorum present and the number of board members voting in favor of an action is as follows:

of Academy Board positions

Five (5)
Seven (7)
Nine (9)

for Quorum

Three (3)
Four (4)
Five (5)

required to act

Three (3)
Four (4)
Five (5)

Section 3. Compensation. By resolution of the Academy Board, Directors may be paid their expenses, if any, of attendance at each meeting of the Academy Board, subject to the statutes regarding Contracts of Public Servants with Public Entities, Act No. 317 of the Public Standards of Conduct for Public Officers and Employees, Act No. 196 of the Public Acts of 1973, being Sections 15.341 to 15.348 of the Michigan Compiled Laws, and the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being Sections 15.181 to 15.185 of the Michigan Compiled Laws.

ARTICLE V

MEETINGS

Section 1. Regular Meetings. The Academy Board shall hold a regular meeting during the month of June each year. The meeting shall be held at such time and place as the Academy Board of Directors shall from time to time determine. The Academy Board may also provide, by resolution, the time and place, within the state of Michigan, for the holding of additional regular meetings. The Academy shall provide notice of all regular meetings as required by the Open Meetings Act.

Section 2. Special Meetings. Special meetings of the Academy Board may be called by or at the request of the President or any Academy Board Director. The person or persons authorized to call special meetings of the Academy Board may fix the place within the state of Michigan for holding any special meeting of the Academy Board called by them, and, if no other place is fixed, the place of meeting shall be the principal business office of the corporation in the state of Michigan. The corporation shall provide notice of all special meetings as required by the Open Meetings Act.

Section 3. Notice; Waiver. The Academy Board must comply with the notice provisions of the Open Meetings Act. In addition, notice of any meeting shall be given to each Director stating the time and place of the meeting, delivered personally or mailed or sent by facsimile to each Director at the Director's business address. Any Director may waive notice of any meeting by written statement, or

telecopy sent by the Director, signed before or after the holding of the meeting. The attendance of a Director at a meeting constitutes a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 4. Open Meetings Act. All meetings of the Academy Board, shall at all times be in compliance with the Open Meetings Act.

Section 5. Presumption of Assent. A director of the Academy Board who is present at a meeting of the Academy Board at which action on any corporate matters is taken shall be presumed to have assented to the action taken unless that Director's dissent shall be entered in the minutes of the meeting or unless that Director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. This right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE VI

COMMITTEES

Section 1. Committees. The Academy Board, by resolution, may designate one or more committees, each committee to consist of one or more Directors selected by the Academy Board. As provided in the resolution as initially adopted, and as thereafter supplemented or amended by further resolution, the committees shall have such powers as delegated by the Academy Board, except (i) filling of the vacancies in the officers of the Academy Board or committees created pursuant to this Section; (ii) amending the Articles of Incorporation or Bylaws; or (iii) any action the Academy Board cannot lawfully delegate under the Articles, Bylaws or Applicable Law. All committee meetings shall at all times be in compliance with the Open Meetings Act. Each committee shall fix its own rules governing the conduct of its activities and shall make such reports the Academy Board of its activities as the Academy Board may request.

ARTICLE VII OFFICERS

OF THE BOARD

Section 1. Number. The officers of the Academy shall be a President, Vice-President, Secretary, Treasurer, and such Assistant officers as may be selected by the Academy Board.

Section 2. Election and Term of Office. The Academy Board shall elect the initial officers at its first duly noticed meeting. Thereafter, the Academy Board shall elect the officers annually as terms expire at the annual meeting of the Academy Board. If the election of officers is not held at that meeting, the election shall be held as soon thereafter as may be convenient. Each officer shall hold office while qualified or until the officers resigns or is removed in the manner provided in Article IV, Section 2.

Section 3. Removal. If the Grand Valley State University Board of Trustees determines that an Academy Board member's service in office is no longer required, then the Board of Trustees may remove an Academy board member with or without cause and shall specify the date when the Academy Board member's service ends. An Academy Board member may be removed from office by a two-thirds (2/3) vote of the Academy's Board for cause.

Section 4. Vacancies. A vacancy in any office shall be filled in accordance with Article IV, Section 2.

Section 5. President. The President of the Academy shall be a member of the Academy Board. The President of the corporation shall preside at all meetings of the Academy Board. If there is not a President, or if the President is absent, then the Vice-President shall preside. If the Vice-President is absent, then a temporary chair, chosen by the members of the Academy Board attending the meeting shall preside. The president shall be an ex-officio member of all standing committees and may be designated Chairperson of those committees by the Academy Board. The President shall, in general, perform all duties incident to the office of President of the Board as may be prescribed by the Board from time to time.

Section 6. Vice-President. The Vice-President of the Academy shall be a member of the Academy Board. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice-President shall perform the duties of President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to the Vice-President by the President or the Academy Board.

Section 7. Secretary. The Secretary of the Academy shall be a member of the Academy Board. The Secretary shall perform, or cause to be performed, the following duties: (a) keep the minutes of the Academy Board meetings in one or more books provided that purpose; (b) see that all notices, including those notices required under the Open Meetings Act, are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all authorized documents; (d) keep a register of the post office address of each Director; and (e) perform all duties incident to the office of Secretary and other duties assigned by the President or by the Academy Board.

Section 8. Treasurer. The Treasurer of the Academy shall be a member of the Academy Board. The Treasurer shall perform, or cause to be performed, the following duties: (a) keep charge and custody of and be responsible for all funds and securities of the corporation; (b) keep accurate books and records of corporate receipts and disbursements; (c) deposit all moneys and securities received by the corporation in such banks, trust companies or other depositories as shall be selected by the Board; (d) complete all required corporate filings; (e) assure that the responsibilities of the fiscal agent of the corporation are properly carried out; and (f) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Academy Board.

Section 9. Assistants and Acting Officers. The Assistants to the officers, if any, selected by the Academy Board, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or Treasurer or by the Academy Board. The Academy Directors shall have the power to appoint any person to perform the duties of an officer whenever for any reason it is impractical for such officer to act personally. Such acting officer so appointed shall have the powers of and be subject to all restrictions upon the officer to whose office the acting officer is so appointed except as the Academy Board may by resolution otherwise determine.

Section 10. Salaries. Officers shall not receive a salary unless the salary has been specifically approved by the Academy Board, subject to the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being sections 15.181 to 15.185 of the Michigan Compiled Laws. Officers of the corporation who are Directors of the corporation may not be compensated for their services. They may, however, receive traveling and other expenses.

Section 11. Filling More Than One Office. Subject to the statute concerning Incompatible Public Offices, Act No. 566 of the Public Acts of 1978, being Sections 15.181 to 15.185 of the Michigan Compiled Laws, any two offices of the corporation except those of President and Vice-President may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity.

ARTICLE VIII

CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATE ACTS

Section 1. Contracts. The Academy Board may authorize any officer or officers, agent or agents, to enter into any contract, to execute and deliver any instrument, or to acknowledge any instrument required by law to be acknowledged in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances, but the appointment of any person other than an officer to acknowledge an instrument required by law to be acknowledged should be made by instrument in writing. When the Academy Board authorizes the execution of a contract or of any other instrument in the name of and on behalf of the corporation, without specifying the executing officers, the President or Vice-President, and the Secretary or Treasurer may execute the same and may affix the corporate seal thereto. No contract into, by or on behalf of the Academy Board, shall in any way bind the University or impose any liability on the University, its trustees, officers, employees or agents.

Section 2. Loans. No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Academy Board. Such authority may be general or confined to specific instances. No loan or advance to, or overdraft of funds by an officer or member of the Academy Board otherwise than in the ordinary and usual course of the business of the corporation, and on the ordinary and usual course of the business or security, shall be made or permitted. No loan entered into, by or on behalf of the Academy Board, shall in any way be considered a debt or obligation of Grand Valley State University or impose any liability on Grand Valley State University, its trustees, officers, employees, or agents.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Academy Board.

Section 4. Deposits. All funds of the corporation not otherwise employed shall be deposited within three (3) business days after the receipt of the funds by the corporation in such banks, trust companies or other depositories as the Academy Board may select, provided that such financial institution is eligible to be a depository of surplus funds under section 1221 of the Revised School Code, being Section 380.1221 of the Michigan Compiled Laws.

Section 5. Voting of Securities Owned by this Corporation. Subject always to the specific directions of the Academy Board, any shares or other securities issued by another other corporation and owned or controlled by this corporation may be voted at any meeting of security holders of such other corporation by the President of this corporation or by proxy appointed by Treasurer of this corporation or by proxy appointed by the Secretary or Treasurer. Such proxy or consent in respect to any shares or other securities issued by any other corporation and owned by this corporation shall be executed in the name of this corporation by the President, the Secretary or the Treasurer of this corporation without necessity of any authorization by the Academy Board, affixation of corporate seal or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this corporation shall have full right, power, and authority to vote the shares or other securities issued by such other corporation and owned by this corporation the same as such shares or other securities might be voted by this corporation.

Section 6. Contracts Between Corporation and Related Persons. As required by Applicable Law, any Director, officer or employee of the Academy, who enters into a contract with the Academy, that meets the definition of contract under the statute on Contracts of Public Servants with Public Entities, Act No. 317 of the Public Acts of 1968, being sections 15.321 to 15.330 of the Michigan Compiled Laws, shall comply with the public disclosure requirement set forth in Section 3 of the statute.

ARTICLE IX

INDEMNIFICATION

Each person who is or was a member of the Academy Board, or a trustee, director, officer or member of a committee of the Academy and each person who serves or has served at the request of the Academy as a trustee, director, officer, partner, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the corporation to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time. The corporation may purchase and maintain insurance on behalf of any such person against any liability asserted against and incurred by such person in any such capacity or arising out of his status as such, whether or not the corporation would have power to indemnify such person against such liability under the preceding sentence. The corporation may, to the extent authorized from time to time by the Board, grant rights to

indemnification to any employee or agent of the corporation to the fullest extent provided under the laws of the State of Michigan as they may be in effect from time to time.

ARTICLE X

FISCAL YEAR, BUDGET AND UNIFORM BUDGETING AND ACCOUNTING

Section 1. Fiscal Year, Budget and Uniform Budgeting and Accounting. The fiscal year of the corporation shall begin on the first day of July in each year. The Board of Directors, subject to the oversight responsibilities of the University Board, shall have exclusive control of the budget. The board shall prepare and publish an annual budget in accordance with the Uniform Budgeting and Accounting Act, being Act 2 of the public laws of Michigan of 1968, as amended.

ARTICLE XI

SEAL

The Academy Board may provide a corporate seal, which shall be circular in form and shall have inscribed thereon the name of the corporation, the State of Michigan and the words "Corporate Seal" and "Public School Academy."

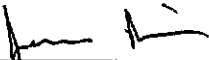
ARTICLE XII

AMENDMENTS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by obtaining the affirmative vote of a majority if the Academy Board at any regular or special meeting of the Academy Board, if a notice setting forth the terms of the proposal have been given in accordance with the notice setting forth the terms of the proposal have been given in accordance with the notice requirements for the special meetings. Upon arrival, the Academy Board shall forward the amendment to the University Charter Schools Office. The amendment shall be automatically incorporated into Schedule 3 of the Contract upon receipt of the amendment by the University Charter Schools Office. The Academy Board is encouraged to submit proposed Bylaw changes to the Charter Schools Office, for review and comment, prior to adoption. If at any time the University identifies a provision in the Academy Board's Bylaws that violates or conflicts with applicable law or the Contract, it shall notify the Academy Board in writing and the Academy Board shall remedy the identified provision to be in concert with applicable law and the Contract.

CERTIFICATION

The Board certifies that these Bylaws were adopted as and for the Bylaws of a Michigan corporation in an open and public meeting, by the Academy Board on the 7th day of March, 2013.



Secretary

SCHEDULE 4

FISCAL AGENT AGREEMENT

SCHEDULE 4

FISCAL AGENT AGREEMENT

This Agreement is part of the Contract issued by the Grand Valley State University Board of Trustees ("University Board"), an authorizing body as defined by the Revised School Code, as amended (the "Code"), to Taylor Preparatory High School ("Academy"), a public school academy.

Preliminary Recitals

WHEREAS, pursuant to the Code and the Contract, the University Board, as authorizing body, is the fiscal agent for the Academy, and

WHEREAS, the University Board is required by law to forward any State School Aid Payments received from the State of Michigan ("State") on behalf of the Academy to the Academy,

NOW, THEREFORE, in consideration of the premises set forth below, the parties agree to the following:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.01. Definitions. Unless otherwise provided, or unless the context requires otherwise, the following terms shall have the following definitions:

"Account" means an account established by the Academy for the receipt of State School Aid Payments at a bank, savings and loan association, or credit union which has not been deemed ineligible to be a depository of surplus funds under Section 6 of Act No. 105 of the Public Acts of 1855, being Section 21.146 of the Michigan Compiled Laws.

"Agreement" means this Fiscal Agent Agreement.

"Fiscal Agent" means the University Board or an officer or employee of Grand Valley State University as designated by the University Board.

"Other Funds" means any other public or private funds which the Academy receives and for which the University Board voluntarily agrees to receive and transfer to the Academy.

"State School Aid Payment" means any payment of money the Academy receives from the State School Aid Fund established pursuant to Article IX, Section 11 of the Michigan Constitution of 1963 or under the State School Aid Act of 1979, as amended.

"State" means the State of Michigan.

"State Treasurer" means the office responsible for issuing funds to urban high school academies for State School Aid Payments pursuant to the School Aid Act of 1979, as amended.

Section 1.02. Fiscal Agent Agreement Incorporated into Contract; Use of Contract Definitions. This Fiscal Agent Agreement shall be incorporated into and is part of the Contract issued by the University Board to the Academy. Terms defined in the Contract shall have the same meaning in this Agreement.

ARTICLE II

FISCAL AGENT DUTIES

Section 2.01. Receipt of State School Aid Payments and Other Funds. The University Board is the Fiscal Agent for the Academy for the limited purpose of receiving State School Aid Payments. By separate agreement, the University Board and the Academy may also agree that the University Board will receive Other Funds for transfer to the Academy. The Fiscal Agent will receive State School Aid Payments from the State, as provided in Section 3.02.

Section 2.02. Transfer to Academy. Except as provided in the Contract, the Fiscal Agent shall transfer all State School Aid Payments and all Other Funds received on behalf of the Academy to the Academy within three (3) business days of receipt or as otherwise required by the provisions of the State School Aid Act of 1979 or applicable State Board rules. The State School Aid Payments and all Other Funds shall be transferred into the Account designated by a resolution of the Board of Directors of the Academy and by a method of transfer acceptable to the Fiscal Agent.

Section 2.03. Limitation of Duties. The Fiscal Agent has no responsibilities or duties to verify the Academy's pupil membership count, as defined in the State School Aid Act of 1979, as amended, or to authorize, to approve or to determine the accuracy of the State Aid School Payments received on behalf of the Academy from the State Treasurer. The duties of the Fiscal Agent are limited to the receipt and transfer to the Academy of State School Aid Payments and Other Funds received by the Academy. The Fiscal Agent shall have no duty to monitor or approve expenditures made by the Academy Board.

Section 2.04. Academy Board Requests for Direct Intercept of State School Aid Payments. If the Academy Board directs that a portion of its State School Aid Payments be forwarded by the Fiscal Agent to a third party account for the payment of Academy debts and liabilities, the Academy shall submit to the University Charter Schools Office: (i) a copy of the Academy Board's resolution authorizing the direct intercept of State School Aid Payments; and (ii) a copy of a State School Aid Payment Agreement and Direction document that is in a form

and manner acceptable to the Fiscal Agent. No State Aid Payment Agreement and Direction document shall be effective until it is acknowledged by the University President.

ARTICLE III

STATE DUTIES

Section 3.01 Eligibility for State School Aid Payments. The State, through its Department of Education, has sole responsibility for determining the eligibility of the Academy to receive State School Aid Payments. The State, through its Department of Education, has sole responsibility for determining the amount of State School Aid Payments, if any, the Academy shall be entitled to receive.

Section 3.02. Method of Payment. Each State School Aid Payment for the Academy will be made to the Fiscal Agent by the State Treasurer by issuing a warrant and delivering the warrant to the Fiscal Agent by electronic funds transfer into an account specified by the Fiscal Agent, or by such other means deemed acceptable to the Fiscal Agent. The State shall make State School Aid Payments at the times specified in the State School Aid Act of 1979, as amended.

ARTICLE IV

ACADEMY DUTIES

Section 4.01. Compliance with State School Aid Act. In order to assure that funds are available for the education of pupils, an Academy shall comply with all applicable provisions of the State School Aid Act of 1979, as amended.

Section 4.02. Expenditure of Funds. The Academy may expend funds that it receives from the State School Aid Fund for any purpose permitted by the State School Aid Act of 1979 and may enter into contracts and agreements determined by the Academy as consistent with the purposes for which the funds were appropriated.

Section 4.03. Mid-Year Transfers. Funding for students transferring into or out of the Academy during the school year shall be in accordance with the State School Aid Act of 1979 or applicable State Board rules.

Section 4.04. Repayment of Overpayment. The Academy shall be directly responsible for reimbursing the State for any overpayments of State School Aid Payments. At its option, the State may reduce subsequent State School Aid Payments by the amount of the overpayment or may seek collection of the overpayment from the Academy.

Section 4.05. Deposit of Academy Funds. The Academy Board agrees to comply with Section 1221 of the Revised School Code, being MCL 380.1221, regarding the deposit of State School Aid Payments and Other Funds received by the Academy.

ARTICLE V

RECORDS AND REPORTS

Section 5.01. Records. The Fiscal Agent shall keep books of record and account of all transactions relating to the receipts, disbursements, allocations and application of the State School Aid Payments and Other Funds received, deposited or transferred for the benefit of the Academy, and these books shall be available for inspection at reasonable hours and under reasonable conditions by the Academy and the State.

Section 5.02. Reports. The Fiscal Agent shall prepare and send to the Academy within thirty (30) days of September 1, and annually thereafter, a written report dated as of August 31 summarizing all receipts, deposits and transfers made on behalf or for the benefit of the Academy during the period beginning on the latter of the date hereof or the date of the last such written report and ending on the date of the report, including without limitation, State School Aid Payments received on behalf of the Academy from the State Treasurer and any Other Funds which the University Board receives under this Agreement.

ARTICLE VI

CONCERNING THE FISCAL AGENT

Section 6.01. Representations. The Fiscal Agent represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it in this Agreement and that it will carry out all of its obligations under this Agreement.

Section 6.02. Limitation of Liability. The liability of the Fiscal Agent to transfer funds to the Academy shall be limited to the amount of State School Aid Payments as are from time to time delivered by the State and the amount of Other Funds as delivered by the source of those funds.

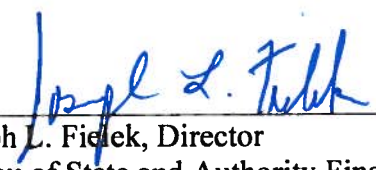
The Fiscal Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Fiscal Agent be responsible for the consequences of any error of judgment; and the Fiscal Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its gross negligence or willful default.

The Fiscal Agent shall not be liable for any deficiency in the State School Aid Payments received from the State Treasurer to which the Academy was properly entitled. The Fiscal Agent shall not be liable for any State School Aid overpayments made by the State Treasurer to the Academy for which the State subsequently seeks reimbursement.

Acknowledgment of Receipt

The undersigned, on behalf of the State of Michigan, Department of Treasury, acknowledges receipt of the foregoing Fiscal Agent Agreement that is part of the Contract issued by the University Board to the Academy.

BY: _____


Joseph L. Fielek, Director
Bureau of State and Authority Finance
Michigan Department of Treasury

Date: Feb 25, 2013

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SCHEDULE 5

MASTER CALENDAR OF REPORTING REQUIREMENTS

**Public School Academy / School of Excellence
Master Calendar of Reporting Requirements
July 1, 2013 – June 30, 2014**

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
July 1	Board Adopted 2013-2014 School Calendar/School Day Schedule.	CSO
July 1	Board Adopted Annual Operating Budget for the General Fund and School Service Fund for 2013-2014.	CSO
July 1	Copy of Notice of Public Hearing for Annual Operating Budget for 2013-2014.	CSO
July 1	Copy of Parent Satisfaction Survey and Results from 2012-2013, if applicable.	CSO
July 3	Anti-Bullying Policy, in accordance with Matt's Safe School Law (new schools)	CSO
July 25	DS-4168 Report of Days and Clock Hours of Pupil Instruction for 2012-2013 academic year, if applicable (See MDE website, www.michigan.gov/mde , for MDE due date and form).	CSO
August 1	Annual Organizational Meeting Minutes for 2013-2014.	CSO
August 1	Board Resolution appointing Chief Administrative Officer for 2013-2014.	CSO
August 1	Board Resolution appointing Freedom of Information Act Coordinator for 2013-2014.	CSO
August 1	Board Designated Legal Counsel for 2013-2014.	CSO
August 1	Board adopted Annual Calendar of Regularly Scheduled Meetings for 2013-2014.	CSO
August 20	Annual Education Report 2012-2013 academic year to be submitted and presented at a public meeting	CSO
August 30	4 th Quarter Financial Statements – quarter ending 06/30.	CSO
September 4	Organizational Chart for 2013-2014.	CSO
September 4	Board approved Student Handbook 2013-2014.	CSO
September 4	Board approved Employee Handbook 2013-2014.	CSO
September 4	Copy of School Improvement Plan covering 2013-2014 academic year.	CSO
October 1	Completed PSA Insurance Questionnaires. Required forms available at www.gvsu.edu/cso	CSO
October 1	Annual Nonprofit Corporation Information Update for 2013.	CSO
October (TBD)	Unaudited Count Day Submission	CSO
October 11	Audited Financial Statements for fiscal year ending June 30, 2013. (See MDE Website, www.michigan.gov/mde , for MDE due date.	CSO
October 11	Management Letter (comments and recommendations from independent financial auditor) for fiscal year ending June 30, 2013, if issued. If a management letter is not issued, a letter from the Academy stating a management letter was not issued is required to be submitted.	CSO
October 11	Annual A-133 Single Audit for year ending June 30, 2013 is required if over \$500K in federal funds have been expended. If a single audit is	CSO

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
	not necessary, a letter from the Academy stating as such is required to be submitted.	
October 11	DS-4898 PSA Preliminary Pupil Membership Count for September 2013 Enrollment and Attendance for 1 st & 2 nd Year PSAs only. (See MDE website, www.michigan.gov/mde for MDE due date).	CSO
October 30	1 st Quarter Financial Statements – quarter ending 09/30.	CSO
December 2	Academy's Technology Plan covering 2013-2014 or annual updates thereto.	CSO
January 6	Modifications to ISD's Plan for the Delivery of Special Education Services covering 2013-14 signed by a representative of the Academy.	CSO
January 31	2 nd Quarter Financial Statements – quarter ending 12/31.	CSO
January 31	Michigan Highly Qualified Teacher Verification Report. Required Form Available at www.gvsu.edu/cso	CSO
March (TBD)	Winter Count Day Submission.	CSO
April 18	DS-4168-B District Report of Planned Number of Days and Clock Hours of Pupil Instruction for 2013-2014 (See MDE website www.michigan.gov/mde for MDE due date).	CSO
April 25	3 rd Quarter Financial Statements – quarter ending 03/31.	CSO
May 14	Notice of Open Enrollment & Lottery Process or Open Enrollment & Lottery Process Board Policy for 2014-2015.	CSO
June 2	Certificate of Boiler Inspection covering years 2013-2014	CSO
June 27	Board Approved Amended Budget for 2013-2014 fiscal year (or statement that budget has been reviewed and no amendment was needed).	CSO
June 27	2013-2014 Log of emergency drills, including date, time and results. Sample form available at www.gvsu.edu/cso	CSO
June 27	Board adopted Letter of Engagement for year ending June 30, 2014 independent financial audit.	CSO
June 27	Food service license expiring 04/30/2015.	CSO

Ongoing Reporting Requirements July 1, 2013 – June 30, 2014

The following documents do not have a set calendar date; however, they require submission within a certain number of days from board action or other occurrence.

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
Date notice is posted	Academy Board Meeting Record of Postings – cancellations, changes, special meetings, emergency etc. Must include time and date of actual posting.	CSO
14 business days after Board meeting	Draft Academy Board Meeting Minutes and Resolutions of regular, special & emergency board meetings.	CSO
14 business days after Board approval	Approved Academy Board Meeting Minutes and Resolutions of regular, special & emergency board meetings.	CSO
30 business days after board approval	Board Adopted Annual Operating Budget for 2011-2012 including Salary/Compensation Transparency Reporting to be available on school website per the State School Aid Act as amended	No submission needed.
14 business days after Board approval	Oath of Office and written acceptance for each Board Member.	CSO
10 business days after Board approval	Board adopted <i>Amended</i> Budget and General Appropriations Resolution.	CSO
10 days of receipt	Correspondence received from the Michigan Department /State Board of Education requiring a formal response.	CSO
10 days of receipt	Correspondence received from the Health Department requiring a formal response.	CSO
10 days of receipt	Written notice of litigation or formal proceedings involving the Academy.	CSO
30 days prior to board execution	Board proposed draft Educational Management Company Agreements or Amendments thereto.	CSO
5 business days of receipt	Request and Responses to Freedom of Information Requests.	CSO

Original/Subsequent Board Policy Reporting Requirements July 1, 2013 – June 30, 2014

The following documents do not have a set calendar date; however, they require an original submission and subsequent submission if Board action is taken making amendments/changes.

REPORT DESCRIPTION	SUBMIT TO:
Articles of Incorporation. Must have GVSU Board approval before modifying.	CSO
Board of Director Bylaws.	CSO
Educational Service Provider Agreements/Amendments	CSO
Academy's Educational Goals.	CSO
Office of Fire Safety (OFS-40) – original occupancy permit and permits for renovations/additions, etc.	CSO
Lease, Deed of Premises or Rental Agreement and subsequent amendments (includes modular units).	CSO
Curriculum including any additions/deletions.	CSO
Asbestos Hazardous Emergency Response Act (AHERA) Management Plan. Visit www.michigan.gov/asbestos for Michigan's model management plan. A copy of the "acceptance" letter sent by MIOSHA is also required.	CSO
Communicable Disease Curriculum (including minutes of board approval).	CSO
Job Descriptions for all employee groups	CSO
REQUIRED BOARD POLICIES	
Board adopted Purchasing Policy (date of approval). Reference: MCL 380.1267, MCL 380.1274	CSO
Use of Medications Policy (date of approval). Reference: MCL 380.1178, 380.1178a, 380.1179	CSO
Harassment of Staff or Applicant Policy (date of approval). Harassment of Students Policy (date of approval) Reference: MCL 380.1300a	CSO
Search and Seizure Policy (date of approval). Reference: MCL 380.1306	CSO
Emergency Removal, Suspension and Expulsion of Students Policy (date of approval). Reference: MCL 380.1309; MCL 380.1312(8)&(9); MCL 37.1402	CSO
Parent/Guardian Review of Instructional Materials & Observation of Instructional Activity Policy Reference: MCL 380.1137	CSO
Board Member Reimbursement of Expenses Policy (date of approval). Reference: MCL 380.1254; MCL 388.1764b	CSO
Equal Access for Non-School Sponsored Student Clubs and Activities Policy (date of approval). Reference: MCL 380.1299	CSO
Electronic or Wireless Communication Devices Policy (date of approval).	CSO
Preparedness for Toxic Hazard and Asbestos Hazard Policy (date of approval). Reference: MCL 324.8316, 380.1256	CSO

Nondiscrimination and Access to Equal Educational Opportunity Policy (date of approval) Including, but not limited to, Michigan Constitution, Article I, §26, Elliott-Larsen Civil Rights Act, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.	CSO
Academy Deposit Policy (date of approval). PA 105 of 1855, being MCL 21.146, Section 11.10 of the Charter Contract	CSO
Parental Involvement Policy (date of approval). Reference: MCL 380.1294	CSO
Wellness Policy (date of approval). Reference: 42 USC §§ 1751, 1758, 1766; 42 USC § 1773	CSO

Calendar of Additional Reporting Requirements and Critical Dates July 1, 2013 – June 30, 2014

The following reports Academies must submit to the local ISD, MDE, CEPI and other organizations throughout the year.

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
TBD	Student Count Day for State Aid F.T.E.	No submission required.
September	SE-4096 Special Education Actual Cost Report (Contact ISD for due date).	ISD
October	Eye Protection Certificate (#4527 Certification of Eye Protective Devices Electronic Grant System [MEGS] if applicable.	CEPI
October	Certification of Constitutionally Protected Prayer	MDE
October	SE-4094 Transportation Expenditure Report (Contact ISD for due date).	ISD
October 1 – October 31 (as scheduled)	Teacher Certification/Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission needed.
Oct/Nov	School Infrastructure Database (SID); School-Wide Title I Participation	CEPI
Oct/Nov	Deadline for MEIS/Single Record Student Database (“SRSD”) electronic file (Contact the local ISD for due date.)	CEPI
November	Deadline for Immunization Records Report – IP100. (Contact Health Dept. for due date).	Local Health Dept.
November 14	Deadline for electronic submission to the Financial Information Database (FID, formerly known as the Form B). State aid will be withheld if the submission is not successful.	CEPI
Nov/Dec	Special Education Count on MI-CIS. Special education data must be current and updated in the Michigan Compliance and Information System (MI-CIS). This information is used to determine funding for next year (Contact local ISD for due date).	ISD
December 1 - December 31 (as scheduled)	Teacher Certification/Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission required.
Nov/Dec	Registry of Educational Personnel (REP) Submission	CEPI
December 30	Municipal Finance Qualifying Statement, if applicable (online submission).	MI Dept of Treasury
Feb 1	Deadline for Immunization Record Report – IP100 (Contact Health Dept. for due date). A financial penalty of 5% of a school’s state aid allocation can be assessed if the immunization rate is not at 90% or above.	Local Health Dept.
TBD	Supplemental Student Count for State Aid F.T.E.	No submission required.
March	FS-4731-C – Count of Membership Pupils eligible for free/reduced breakfast, lunch or milk (official date TBD).	MDE

DUE DATE	REPORT DESCRIPTION	SUBMIT TO:
March	MEIS/Single Record Student Database (“SRSD”) electronic file (Contact local ISD for due date.)	ISD, CEPI
May 1 – May 31 (as scheduled)	Teacher Certification/ Criminal Background Check/Unprofessional Conduct. This is an onsite review scheduled and conducted by Quality Performance Resource Group. No submission required.	No submission required.
June	MEIS/ Single Record Student Database (“SRSD”) electronic file (Contact local ISD for due date.)	ISD, CEPI
June	Registry of Educational Personnel (REP)	CEPI
June	School Infrastructure Database (SID)	CEPI

SCHEDULE 6

**INFORMATION TO BE PROVIDED BY ACADEMY AND EDUCATIONAL
MANAGEMENT COMPANY**

SCHEDULE 6

INFORMATION TO BE PROVIDED BY ACADEMY AND EDUCATIONAL MANAGEMENT COMPANY

A. The following described categories of information are specifically included within those to be made available to the public and the University Charter Schools Office by the Academy in accordance with Section 11.17(a). Information to be Provided by the Academy, of the Terms and Conditions:

1. Copy of the Contract
2. Copies of the executed Constitutional Oath of public office form for each serving Director
3. List of currently serving Directors with name, address, and term of office
4. Copy of the Academy Board 's meeting calendar
5. Copy of public notice for all Academy Board meetings
6. Copy of Academy Board meeting agendas
7. Copy of Academy Board meeting minutes
8. Copy of Academy Board approved budget and amendments to the budget
9. List of bills paid for amounts of \$10,000.00 or more as submitted to the Academy Board
10. Copy of the quarterly financial reports submitted to the University Charter Schools Office
11. Copy of curriculum and other educational materials given to the University Charter Schools Office
12. Copy of School improvement plan (if required)
13. Copies of facility leases, mortgages, modular leases and/or deeds
14. Copies of equipment leases
15. Proof of ownership for Academy owned vehicles and portable buildings
16. Copy of Academy Board approved management contract with Educational Service Provider
17. Copy of Academy Board approved services contract(s)
18. Office of Fire Safety certificate of occupancy for all Academy facilities
19. MDE letter of continuous use (if required)
20. Local County Health Department food service permit (if required)

21. Asbestos inspection report and asbestos management plan (if required)
22. Boiler inspection certificate and lead based paint survey (if required)
23. Phase 1 environmental report (if required)
24. List of current Academy teachers and school administrators with their individual salaries as submitted to the Registry of Educational Personnel
25. Copies of administrator and teacher certificates or permits for all current administrative and teaching staff
26. Evidence of fingerprinting, criminal back-ground and record checks and unprofessional conduct check required by the Code for all Academy teachers and administrators
27. Academy Board approved policies
28. Copy of the annual financial audit and any management letters issued to the Academy Board as part of the audit
29. Proof of insurance as required by the Contract
30. Any other information specifically required under Public Act 277 of 2011

B. The following information is specifically included within the types of information available to the Academy by the Educational Management Organization (if any) in accordance with Section 11.17(b). Information to be provided by Educational Management Company, of the Terms and Conditions:

1. Any information needed by the Academy in order to comply with its obligations to disclose the information listed under (a) above.

SERVICES AGREEMENT

THIS SERVICES AGREEMENT ("**Agreement**") by and between PrepNet, LLC, a Michigan limited liability corporation ("**PrepNet**"), and Taylor Preparatory High School, a body corporate and public school academy (the "**School**") is effective the ____ day of ____, 2013 (the "**Effective Date**"). For purposes of this Agreement, PrepNet and the School shall be referred to collectively as the "**Parties**."

RECITALS

WHEREAS, the School was issued a Charter Contract by Grand Valley State University (the "**Authorizer**") to operate a public school academy pursuant to the Michigan Revised School Code (the "**Authorizing Law**"); and

WHEREAS, the Parties desire to work together to promote educational excellence and innovation based on PrepNet's school design, comprehensive educational program and management principles; and

WHEREAS, the Parties desire to set forth the terms and conditions of such a relationship in this Agreement;

NOW, THEREFORE, for good and valuable consideration, including the mutual promises and benefits contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I

CONTRACTING RELATIONSHIP

A. Services. Subject to the terms and conditions of this Agreement, and as permitted by applicable law, the School hereby contracts with PrepNet for the provision of certain educational, business administration, facility, and management services, including without limitation, all labor, equipment, and materials necessary for the provision of the same, as set forth herein (collectively, the "**Services**").

B. Charter. This Agreement shall: (i) be subject to and comply with the terms and conditions of the Charter Contract and the School's Charter Application (collectively, the "**Charter**"); and (ii) not be construed to interfere with the constitutional, statutory, or fiduciary duties of the School's Board of Directors (the "**Board**"). PrepNet agrees to perform its duties and responsibilities under this Agreement in a manner that is consistent with the School's obligations under the Charter issued by the Authorizer. The provisions of the School's Charter shall supersede any competing or conflicting provisions contained in this Agreement.

C. Independent Contractor. PrepNet shall provide the Services as an independent contractor, and not as an employee, partner, agent, or associate of the School. This independent contractor relationship shall extend to the officers, directors, employees, and representatives of PrepNet. Consistent with the status of an independent contractor, PrepNet reserves to itself the

right to designate the means and methods of accomplishing the objectives and purposes of this Agreement consistent with Board policy, applicable law and the Charter. PrepNet shall be solely responsible for its acts and the acts of its agents, employees and subcontractors. The relationship between the Parties is based solely on the terms and conditions of this Agreement, and the terms and conditions of any other written agreement between the Parties.

D. Designations and Appointments.

1. The Board shall by Board resolution appoint the Board Treasurer, or such other officer as determined by the Board, to serve as the chief administrative officer of the School (the "CAO") under the Uniform Budgeting and Accounting Act, MCL 141.421 *et seq.* (the "Budgeting and Accounting Act") Notwithstanding any other provision of the Agreement to the contrary, the Board resolution shall designate PrepNet's chief financial officer, or such other PrepNet officer or employee as is mutually agreed upon by PrepNet and the Board, as the designated agent of the CAO to assist the CAO with the performance of the CAO's duties under the Budgeting and Accounting Act.

2. PrepNet, including its directors, officers, and employees are hereby designated as "School Officials" for purposes of the Family Educational Right and Privacy Act, and its implementing regulations, 20 U.S.C. §1232g *et seq.* (FERPA); 34 CFR § 99.31(a)(1)(i)(B). Additionally:

(a) PrepNet agrees that it shall observe Board policies and applicable law regarding the confidentiality of Covered Data and Information. Covered Data and Information ("CDI") includes paper and electronic student education record information and includes, without limitation, "education records" as defined under FERPA, 34 CFR § 99.1. CDI also includes any new records created and maintained by PrepNet under this Agreement using CDI.

(b) PrepNet shall not use or disclose CDI received from or on behalf of the School except as permitted or required by this Agreement and/or applicable law.

(c) Upon termination or other conclusion of this Agreement, PrepNet shall return all CDI to the School.

(d) PrepNet shall develop, implement, maintain and use appropriate administrative, technical and physical security measures to preserve the confidentiality, integrity and availability of all CDI received from, or on behalf of, the School or its students. These measures will be extended by contract to include subcontractors used by the PrepNet.

(e) PrepNet, within two business days of discovery, shall report to the Board any use or disclosure of CDI not authorized by this Agreement. PrepNet's report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) the CDI used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what PrepNet has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action PrepNet has taken or shall take to prevent future similar unauthorized use

or disclosure. PrepNet shall provide such other information, including a written report, as reasonably requested by the Board.

3. PrepNet, its directors, officers, and employees may be designated by the School for other purposes by a written resolution of the Board.

ARTICLE II

TERM & TERMINATION

A. Term. This Agreement shall commence on the Effective Date, and unless terminated as set forth herein, shall continue until the revocation, termination or expiration of the Charter currently in effect (the "Term"). The first school year of this Agreement shall commence July 1, 2013 to June 30, 2014, and each school year thereafter shall commence on July 1 and end on June 30 of the following year.

B. Termination.

1. By PrepNet. PrepNet may terminate this Agreement prior to the end of the Term if the Board fails to remedy a material breach of this Agreement within thirty (30) days after receiving a notice from PrepNet of such breach. For purposes of this Subsection, a material breach (which for the sake of clarity is a default hereunder) includes, but is not limited to: (i) PrepNet's failure to timely receive any compensation or reimbursement required by this Agreement; or (ii) a suspension, termination, revocation, or non-renewal of the Charter.

2. By the School. The School may terminate this Agreement prior to the end of the Term if PrepNet fails to remedy a material breach of this Agreement within (30) days after receiving notice from the School of such breach. For purposes of this Subsection, a material breach includes, but is not limited to: (i) PrepNet's failure to account for expenditures or pay operating costs pursuant to the Budget (as defined below); (ii) PrepNet's failure to follow policies, procedures, rules, regulations or curriculum adopted by the Board, provided they do not violate the Charter, applicable law, or this Agreement; (iii) a receipt by the Board of an unsatisfactory report from PrepNet or an independent education consultant retained by the Board regarding the Services or the School's performance, provided the unsatisfactory performance cannot be adequately corrected or explained; (iv) a determination that this Agreement or its implementation would serve as grounds for suspension, termination, revocation, or non-renewal of the Charter; (v) a determination that this Agreement or its implementation would jeopardize material tax exemptions of the School or its non-profit status; or (vi) any action or inaction by PrepNet that places the Charter in jeopardy of termination, suspension or revocation.

3. By Either Party. Either party may terminate this Agreement prior to the end of the Term, with or without cause, by providing the other party with at least ninety (90) days' prior written notice.

4. Revocation or Termination of Charter. If the Academy's Contract issued by the Grand Valley State University Board of Trustees is revoked or terminated, this Agreement

shall automatically terminate on the same date as the Academy's Contract is revoked or termination without further action of the parties."

5. If this Agreement is terminated prior to the end of the Term other than as provided for in Article II(B)(4) of this Agreement, and unless otherwise agreed by the Parties, such termination will not become effective until the end of the then-current school year.

C. Effect of Termination. Upon the effective date of termination or expiration of this Agreement:

1. Subject to any provisions contained in a lease between the Parties, the Parties shall have the right to remove from the School any equipment or other assets owned or leased by the respective Party;

2. The School shall pay or reimburse PrepNet through the Fee (as defined below) for the prepaid portion of any expenses or liabilities incurred by PrepNet pursuant to the Budget as of the date of such termination or expiration, provided PrepNet supplies the School with documentation of all such expenses and liabilities;

3. PrepNet may agree, in its sole discretion, to assist the School for a reasonable amount of time, not to exceed ninety (90) days, and for a reasonable fee, with the School's transition to another administrative, managerial, or services arrangement;

4. PrepNet shall, if applicable, reasonably assist the School in the execution of a closure and dissolution plan and cooperate in the closure and dissolution process, including without limitation, in any audits and court or other proceedings related thereto; and

5. The party to whom Confidential Information (as defined below) has been disclosed shall, upon request and at the direction of the disclosing party: (i) return such Confidential Information within thirty (30) days, including any copies thereof, and cease its use; or (ii) destroy such Confidential Information and certify such destruction to the disclosing party, except for a single copy thereof which may be retained for the sole purpose of determining the scope of any obligations incurred under this Agreement, and except where disclosure or retention is required by applicable law.

ARTICLE III

OBLIGATIONS OF PrepNet

A. Manager at Risk. PrepNet shall be responsible and accountable to the Board for providing the Services. During the Term, PrepNet shall provide the Services regardless of whether actual revenue meets the level projected in the Budget, and PrepNet hereby assumes the risk of funding shortfalls during the Term. Notwithstanding the foregoing, PrepNet shall not be required to expend funds on Services in excess of the amount set forth in the Budget.

B. Comprehensive Educational Program. The School has determined to adopt PrepNet's proprietary educational and academic programs and goals, as set forth in the Charter (the "Educational Program"). Subject to the oversight of the Board, PrepNet shall implement and administer the Educational Program. In the event that PrepNet reasonably determines that it is necessary or advisable to make material changes to the Educational Program, PrepNet shall inform the Board of the proposed changes and obtain the Board's approval before making such changes, as well as the Authorizer's approval if required by the Charter or applicable law. The Parties acknowledge and agree that an essential principle of the Educational Program is its flexibility, adaptability and capacity to change in the interest of continuous improvement and efficiency. Not less than annually or as reasonably requested by the Board, PrepNet shall provide the Board with a report detailing progress made on each of the educational goals set forth in the Educational Program. The school year calendar and the school day schedule shall be approved by the Board as required under the Charter.

C. All Children Welcome. PrepNet places a high value on diversity, and the School shall welcome students of all races, ethnicity, religion, gender and economic backgrounds.

D. Services to Students with Disabilities. PrepNet welcomes students with disabilities at the School. PrepNet shall provide special education and related services, in conformity with the requirements of applicable law, to students who attend the School.

E. Educational and Administrative Services. Subject to the oversight of the Board, PrepNet shall implement operational practices and procedures that are consistent with Board policy, the Charter and applicable law. Such practices and procedures shall include, but are not limited to:

1. Student recruitment and student admissions.
2. Student assessments, including testing, promotion, and retention.
3. The acquisition of instructional materials, equipment and supplies, and the administration of any and all extra-curricular and co-curricular activities and programs approved by the Board and PrepNet.
4. Employment of personnel working at the School and management of all personnel functions, as set forth herein.
5. All aspects of the School's business administration.
6. All aspects of the School's accounting operation, including general ledger management, financial reporting, payroll, employee benefits and payroll tax compliance.
7. Food service and transportation approved by the Board and PrepNet.
8. All aspects of facilities administration and maintenance.
9. Student behavior management and discipline.

F. Location of Services. Other than instruction, and unless prohibited by the Charter or applicable law, PrepNet may provide the Services, including but not limited to, purchasing, professional development and administrative services, off-site.

G. Subcontracts. PrepNet reserves the right to subcontract any and all aspects of the Services. PrepNet shall not subcontract the oversight of the Educational Program, except as specifically permitted in this Agreement or with prior written approval of the Board. Notwithstanding the foregoing, the Board specifically acknowledges and agrees that from time to time PrepNet may use third parties or independent contractors to assist in the creation and development of Educational Materials (as defined below) that may be used as a part of the Educational Program.

H. Pupil Performance Standards and Evaluation. PrepNet shall implement pupil performance evaluations that permit evaluation of the academic progress of each School student. PrepNet shall be responsible and accountable to the Board for the academic performance of students who are enrolled at the School. PrepNet shall utilize assessment strategies required by the Charter and applicable law. The Board and PrepNet shall cooperate in good faith to identify academic goals and methods to assess such academic performance. PrepNet shall provide the Board with timely reports regarding student performance.

I. Unusual Events. PrepNet shall timely notify the Board and the Administrator (as defined below) of any anticipated or known material: (i) health or safety issues, including all mandatory reporting required by applicable law; (ii) labor, employee or funding issues; or (iii) other issues that may reasonably and adversely impact the School's ability to comply with the Charter, applicable law or this Agreement.

J. School Records. The financial and education records pertaining to the School (collectively, the "**School Records**"), are property of the School. Except as may be prohibited or limited by the Charter or applicable law, the School Records shall be available to the Board and the Authorizer for their review, and are subject to inspection and copying to the same extent that records of public schools are subject to inspection and copying pursuant to applicable law. All School Records shall be physically or electronically available at the School's physical facility upon request made by the Board or the Authorizer. PrepNet shall provide the Board on a timely basis all information that is required to be disclosed under section 22f of the State School Aid Act of 1979, MCL 388.1622f.

On an annual basis, PrepNet agrees to provide the Board the same information that a school district is required to disclose under section 18(2) of the State School Aid Act of 1979, MCL 388.1618, for the most recent school fiscal year for which the information is available. Within thirty (30) days of receipt of this information, the Board shall make the information available on the School's website homepage, in a form and manner prescribed by the Michigan Department of Education. The defined terms in section 503c and 553c of the Code, MCL 380.503c and MCL 380.553c, whichever is applicable, shall have the same meaning in this Agreement.

PrepNet shall make information concerning the operation and management of the School, including without limitation the information described in Schedule 4 of the Charter,

available to the School as deemed necessary by the Board in order to enable the School to fully satisfy its obligations under Section 12.17(a) of the Charter.

K. Facility. PrepNet shall use reasonable efforts to secure a facility to be leased or otherwise provided to the School on terms mutually agreeable to PrepNet and the Board. Obligations of the Board created under the terms of such lease are to be fulfilled by PrepNet unless otherwise agreed to in writing by PrepNet and the Board. The facility shall comply with the requirements of the Charter and applicable law. PrepNet shall also use reasonable efforts to cause the facility to be furnished with equipment and technology as is reasonably necessary to implement the Educational Program.

L. Legal Compliance. PrepNet will implement and enforce rules, regulations and procedures applicable to the School that are consistent with adopted Board policy, if any, and the Educational Program in accordance with the Charter and applicable law, including without limitation, rules, regulations, and policies regarding non-discrimination, discipline, special education, confidentiality and access to records.

M. Rules and Procedures. PrepNet will recommend to the Board reasonable rules, regulations, policies and/or procedures applicable to the School. The Board hereby authorizes and directs PrepNet to enforce such rules, regulations and procedures consistent with Board policy, and make such rules, regulations and procedures available to the Board upon request.

N. Assistance to the Board. PrepNet shall cooperate with the Board and, to the extent consistent with the Charter and applicable law, timely furnish the Board with all documents and information necessary for the Board to properly perform its responsibilities under this Agreement.

ARTICLE IV

OBLIGATIONS OF THE BOARD

A. Board Policies. The Board shall be responsible for the fiscal and academic policies of the School. The Board shall exercise good faith in considering the recommendations of PrepNet, including but not limited to, PrepNet's recommendations regarding policies, rules, regulations and the Budget (as defined below).

B. Academy Budget. The Board is responsible for establishing, approving and amending the Budget in accordance with the Budgeting and Accounting Act.

C. Governance Oversight. The Board shall provide governance level oversight of the School in accordance with the Charter and applicable law. The Board shall cooperate with PrepNet and, to the extent consistent with applicable law, timely furnish PrepNet all documents and information necessary for PrepNet to properly perform its responsibilities under this Agreement.

D. Unusual Events. The Board shall timely notify PrepNet of any anticipated or known material: (i) health or safety issues; (ii) labor, employee or funding issues; or (iii) other

issues that may reasonably and adversely impact PrepNet's ability to comply with the Charter, applicable law, or this Agreement.

E. Office Space. The Board shall provide PrepNet with suitable office space at the School, provided the requested space is: (i) available and can be provided without materially prejudicing the Educational Program; and (ii) used only for activities related to the School. The space shall be provided at no cost to PrepNet.

F. Retained Authority. The Board shall retain the authority to adopt reasonable policies in accordance with applicable law relative to anything necessary for the proper establishment, maintenance, management, and operation of the School.

ARTICLE V

INTELLECTUAL PROPERTY

A. Definitions.

1. **"Educational Materials"** means all curriculum, print and electronic textbooks, instructional materials, lesson plans, teacher guides, workbooks, tests, and other curriculum-related materials licensed, developed or otherwise owned by the School or PrepNet.

2. **"Confidential Information"** means any confidential and non-public trade, technical or business knowledge, information and materials regarding the School or PrepNet (or their respective affiliates), which is given by one party to the other, or any of their respective representatives, in any form, whether printed, written, oral, visual, electronic or in any other media or manner. Confidential Information includes, but is not limited to, research, operations and procedures, financial projections, pricing, sales, expansion plans and strategies, services data, trade secrets and other intellectual property, or the results of any mediation or private adjudication, as well as information with respect to each party's or its affiliates' plans for market expansion, except for information which a party can show by contemporaneous written records was developed or formulated independently of work or services performed for, or in connection with performance of, this Agreement. Notwithstanding the foregoing, the disclosure of the other party's Confidential Information as required to be disclosed by law, rule or regulation or by reason of subpoena, court order or government action shall not constitute a breach of this Agreement; however, in such event the party required to disclose such information will reasonably cooperate with the party whose information is required to be disclosed in order to obtain a protective order applicable to such disclosure. All Confidential Information will remain the sole property of the party disclosing such information or data.

B. School Materials. The School shall own all right, title and interest in and to Educational Materials that are: (i) licensed or owned by the School as of the Effective Date; or (ii) licensed, developed, characterized, conceived, derived, generated, identified, or otherwise made by the School during the Term, provided such materials do not reference the PrepNet Materials (as defined below), or incorporate any Confidential Information of PrepNet

(collectively, the "**School Materials**"). The School Materials shall include all intellectual property rights associated therewith.

C. PrepNet Materials. PpNet shall own all right, title and interest in and to Educational Materials that are: (i) licensed or owned by PpNet as of the Effective Date; (ii) licensed, developed, characterized, conceived, derived, generated, identified, or otherwise made by PpNet during the Term, provided such materials do not reference School Materials or incorporate any Confidential Information of the School; and (iii) any and all Educational Materials and non-curriculum materials provided to the School by PpNet relating to the Educational Program, including all changes and derivatives thereof (collectively, the "**PrepNet Materials**").

D. Derivative Works. The Parties acknowledge that to the extent any Educational Materials created by the School are derivative of the PpNet Materials, use of such derivative materials during the Term is subject to the license granted herein, and the license to use such derivative materials shall cease as of the date of expiration or termination of this Agreement.

E. No Transfer or Sale. The School acknowledges and agrees that PpNet is not transferring or selling, and the School is not receiving, purchasing or acquiring, any intellectual property or proprietary rights in or to the PpNet Materials.

F. Licenses. PpNet hereby grants the School a non-exclusive, non-transferable license (without the right to sublicense) to use the PpNet Materials, and any Educational Materials created by the School which are derivative of the PpNet Materials, solely in furtherance of the Educational Program during the Term, including without limitation, the right to reproduce, publicly display, distribute and create derivative works of the same, in hard copy format or electronically, within the United States. The School represents and warrants that during the Term, and following the expiration or termination of this Agreement, the School will not exploit or assist any third party to exploit any of the PpNet Materials for commercial purposes. Subject to applicable law, the School grants PpNet a non-exclusive, non-transferable license (without the right to sublicense) to use the School Materials, solely in furtherance of the Educational Program during the Term, including without limitation, the right to reproduce, publicly display, distribute and create derivative works of the same, in hard copy format or electronically, within the United States.

G. PrepNet Marks. During the Term, PpNet grants the School a non-exclusive, revocable, non-transferable license (without the right to sublicense) to use PpNet's trade name(s) and PpNet's trademark(s) (the "**PrepNet Marks**") solely for the purposes of promoting and advertising the School. PpNet shall have the opportunity to review and approve all artwork, copy or other materials utilizing the PpNet Marks prior to any production or distribution thereof. All uses of the PpNet Marks require PpNet's prior written permission. The School shall acquire no rights in or to the PpNet Marks, and all goodwill associated with the PpNet Marks shall inure to the benefit of and remain with PpNet. Upon expiration or termination of this Agreement, the School shall immediately discontinue use of the PpNet Marks and shall remove the PpNet Marks from its locations, vehicles, websites, telephone directory listings and all other written or electronic promotional materials.

H. Assignment. Each party shall, and hereby does assign to the other, with full title guarantee and without additional compensation, such right, title and interest in and to any intellectual property as is necessary to fully affect the ownership provisions set out herein, and any accrued rights of action in respect thereof. Each party shall, if so requested by the other, execute all such documents and do all such other acts and things as may be reasonably required to comply with this Agreement to vest in the appropriate party all rights in the relevant intellectual property and shall procure execution by any named inventor of all such documents as may reasonably be required by the other party in connection with any related patent application.

ARTICLE VI

SOLICITATION AND USE OF PRIVATE FUNDS

PrepNet shall seek the Board's approval prior to soliciting any non-governmental grants, donations or contributions on behalf of the School. Any such funds received shall be used solely in accordance with the purpose for which they were solicited, applicable donor restrictions, or as otherwise approved by the Board. Subject to applicable donor restrictions, the Board shall determine the allocation of any such funds subject to this Article that remain unexpended following completion of the project or purpose for which they were originally designated.

ARTICLE VII

FINANCIAL ARRANGEMENTS

A. Revenues. Except as provided herein, all monies received by the School shall be deposited in the School's depository account within three (3) business days with a financial institution acceptable to the Board; provided, however, that upon receipt of a notice from PrepNet, the School shall pay all such funds owing under this Agreement directly to the account or party specified in such notice. The signatories on the School depository account shall solely be Board members. Interest income earned on the School's depository account shall accrue to the School. Except as specifically excluded by this Agreement, the term "**Revenues**" shall include all funds received by or on behalf of the School, including but not limited to:

1. Funding for public school students enrolled at the School.
2. Special education funding provided by the federal and/or state government that is directly allocable to special education students enrolled at the School.
3. Gifted and talented funding provided by the federal and/or state government that is directly allocable to gifted and talented students enrolled at the School.
4. At-risk funding provided by the federal and/or state government that is directly allocable to at-risk students enrolled at the School.

5. Funding provided by the federal and/or state government that is directly allocable to students enrolled at the School with limited English proficiency.

6. All other federal and/or state grant sources, including, but not limited to, Title I and any start-up funding allocable to the School.

7. Grants and donations received by the School to support or carry out programs at the School (except to the extent PrepNet is not required or involved in soliciting, administering or managing the contribution and/or donation, in which case such funds shall be deposited in the Board Spending Account (as defined below)).

8. Fees charged to students as permitted by law for extra services provided by PrepNet as approved by the Board.

The expenditure of any Revenues received from governmental entities shall be consistent with all applicable regulations and policies. The expenditure of any Revenues received from non-governmental grants, contributions and donations shall be made consistent with the provisions of Article VI.

B. Budget. PrepNet shall provide the Board with an annual proposed Budget prepared and maintained in accordance with the Charter, the Michigan Budgeting and Accounting Act, and applicable law (the "**Budget**"). The Budget shall include all of the School's projected revenues and expenses at the object level as described in the Michigan Department of Education's Michigan School Accounting Manual. For the School's first school year, the Budget shall be submitted prior to the beginning of the school year. Thereafter, the Budget shall be submitted to the Board prior to June 1 for the next school year.

C. Review and Approval of Budget. The Board shall be responsible for reviewing and approving the Budget in accordance with the Charter and applicable law. At the direction of either PrepNet or the Board, with the approval of the Board, the Budget shall be amended from time to time as necessary.

D. Board Spending Account. Notwithstanding any other provision of this Agreement to the contrary, each school year during the Term, PrepNet shall allocate to an account controlled by the Board an amount equal to the lesser of: (i) 2% of state per pupil aid reflected in the Budget for that respective school year, or (ii) \$35,000 (the "**Board Spending Account**"). The aforesaid amount shall be deposited by PrepNet into the Board Spending Account pro-rata during the course of the School's school year as Revenues are received. All funds in the Board Spending Account are the property of the School and may be used by the School at the discretion of the Board. Funds in the Board Spending Account that are not spent by the School during the school year shall carryover annually. Items purchased by PrepNet for the School and paid for by the School with funds from the Board Spending Account, such as non-proprietary instructional and/or curriculum materials, books, supplies and equipment, shall be the property of the School. The property of the School excludes items leased, financed or purchased by PrepNet with the Fee (as defined below). PrepNet agrees not to add any fees or charges to the cost of equipment, materials or supplies purchased by PrepNet at the request of or

on behalf of the School with funds from the Board Spending Account. PrepNet, in making such purchases for the School pursuant to this subsection, shall comply with applicable law, as if the School were making such purchases itself from a third party, and shall provide the Board, upon request, available documentation evidencing the costs associated with such purchases. PrepNet shall maintain a listing of all assets owned by the School and shall provide the list to the Board annually upon request.

E. Fee. PrepNet shall receive all Revenues as its services fee (the "Fee"), from which it shall pay all operating costs of the School as detailed in the Budget. PrepNet and the Board acknowledge that operating costs includes an administrative fee payable to the Authorizer as set forth in the Charter. Payment of the Fee shall be made on the same frequency that the School receives its Revenues. PrepNet shall be entitled to retain as compensation for the Services the difference, if any, between the Fee and the amount actually expended by PrepNet in operation and/or management of the School during the School's fiscal year. PrepNet agrees not to add any fees or charges to the cost of equipment, materials or supplies purchased by PrepNet at the request of or on behalf of the School.

F. No Loans. PrepNet shall not make or extend loans to the Board.

G. Other Schools. The School acknowledges that PrepNet has entered into similar services agreements with other schools. PrepNet shall maintain separate accounts for expenses incurred in the operation of the School and other schools assisted by PrepNet, and shall reflect in the School's financial records only those expenses incurred in the operation of the School. If PrepNet incurs expenses that are for both the benefit of the School and other schools assisted by PrepNet, then PrepNet shall allocate, to the extent permitted by law, such expenses among all such affected schools, including the School, on a prorated basis based upon the number of enrolled students, the number of classrooms, or the number of teachers at the affected schools, or on such other equitable basis as is reasonably determined by PrepNet. In no event shall marketing and development costs incurred solely for the benefit of PrepNet (and not the School) be allocated to the School.

H. Financial Reporting. PrepNet shall provide the Board with:

1. At least annually, the Budget as required by this Agreement.
2. Monthly, financial statements no more than forty-five (45) days in arrears and at least one week prior to each Board meeting. These financial statements will include a Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balance at object level detail with a comparison of budget to actual revenue and expenditures and explanations of variances.
3. Quarterly, or as reasonably requested by the Board, a report on School operations and student performance.
4. As reasonably requested, other information to enable the Board to: (i) evaluate the quality of the Services; and (ii) timely provide all reports and information that are required by the Charter and applicable law.

I. Access to Financial Records. PrepNet shall keep accurate financial records pertaining to its operation of the School, together with all School financial records prepared by or in possession of PrepNet, and shall retain all of the aforementioned records according to the Charter and applicable law to which such books, accounts, and records relate. PrepNet and the Board shall maintain the proper confidentiality of personnel, students, and other records as required by law. All records shall be kept in accordance with applicable state and federal requirements.

J. Accounting Standards; Annual Audit.

1. The School shall at all times comply with generally accepted public sector accounting principles, accounting system requirements of the State School Aid Act of 1979, as amended, applicable Michigan Department of Education rules, and applicable law.

2. The Board shall select and retain an independent auditor to conduct an annual audit of the School's financial matters in accordance with the Charter and applicable law.

3. Subject to applicable law, all records in the possession or control of PrepNet that relate to the School, including but not limited to, financial records, shall be made available to the School and the School's independent auditor. The expense of the annual audit shall be included in the Budget.

K. Start-up Funds; Contributions; Repayment.

1. PrepNet shall provide start-up funds for: (i) the development of curriculum, a technology system and a school operations plan; (ii) recruiting, selecting and training of staff members; and (iii) to the extent necessary as reasonably determined by PrepNet, cleaning, renovating and equipping of the School facility (the "**Start-Up Funds**").

2. PrepNet shall make contributions to the School in the event School expenses for the Services exceed Revenues (the "**Contributions**"). The Contributions, if any, shall be in amounts acceptable to the Parties and, once made, shall be included in the Budget.

3. The School shall not be legally obligated to repay PrepNet for the Start-Up Funds or the Contributions. PrepNet's agreement to make such Contributions shall not be deemed to negate or mitigate the need for the School to apply for or solicit state or federal start-up funds, grants or sub-grants which the School, as a public school, may be eligible to receive.

ARTICLE VIII

PERSONNEL & TRAINING

A. Qualified Personnel. PrepNet shall select and hire qualified personnel to perform the Services. PrepNet shall have the responsibility and authority, subject to this Article, to select, hire, evaluate, assign, discipline, transfer, and terminate personnel consistent with the Budget, the Charter and applicable law. Personnel working at the School shall be employees of

PrepNet unless otherwise expressly agreed by PrepNet and the Board. PrepNet and the Board each shall be responsible for their respective employees. However, the compensation of all employees working at the School shall be included in the Budget. Upon Board request, PrepNet shall disclose to the Board the level of compensation and fringe benefits provided by PrepNet to PrepNet employees working at the School. A criminal background check and unprofessional conduct search in compliance with applicable law shall be conditions for the hiring of or services provided by any person assigned by PrepNet under this Agreement to regularly and continuously work in any of the School's facilities or at program sites where the School delivers Services. PrepNet shall pay all salaries, wages, benefits, payroll and other taxes to or on account of its employees. The Academy shall not be liable for the payment of any such salaries, wages, benefits, payroll or taxes thereon for or on behalf of any PrepNet employee, contractor or agent. PrepNet acknowledges and agrees that it is the sole and exclusive responsibility of PrepNet to make the requisite tax filings, deductions and payments to the appropriate federal, state and local tax authorities for and on behalf of all persons employed or engaged by PrepNet to provide Services under this Agreement. As applicable, PrepNet shall conduct employee evaluations consistent with Section 1249 and 1250 of the Code.

B. School Administrator. The School administrator (the "**Administrator**") shall be an employee of PrepNet and not the Board. The duties and terms of the Administrator's employment shall be determined by PrepNet. The Administrator shall work with PrepNet in the operation and management of the School. The Administrator shall attend meetings of the Board and shall provide reports to the Board. The accountability of PrepNet to the School is an essential foundation of this Agreement. PrepNet shall have the authority, consistent with this Article, to select, hire, evaluate, assign, discipline, transfer and terminate the Administrator, and to hold the Administrator accountable for the performance of the School. Without limiting the foregoing, PrepNet shall consult with the Board prior to the placement and/or removal of the Administrator. Absent compelling circumstances, the consultation shall commence at least ninety (90) days prior to PrepNet placing and/or removing the Administrator. PrepNet shall give due consideration to the input of the Board or the Board's designated representative prior to making a final decision regarding placement and/or removal of the Administrator. PrepNet shall remove the Administrator if the Board is reasonably dissatisfied with the Administrator's performance. Absent compelling circumstances, however, the Board shall give PrepNet and the Administrator six (6) months to correct the basis for the Board's reasonable dissatisfaction. The parties agree that the purpose of the above provisions is not to deny the Administrator the opportunity for growth and/or promotion within PrepNet. Notwithstanding any of the foregoing, the placement of the initial Administrator for the School in its first year of operation shall be made by PrepNet.

As the employer, PrepNet shall be solely responsible for the performance evaluation of the Administrator. PrepNet shall seek feedback from the Board prior to completing an annual Administrator performance evaluation.

C. Teachers. PrepNet shall, consistent with this Article, assign to perform Services at the School, teachers qualified to teach their assigned subjects and grade level. The curriculum taught by the teachers shall be consistent with the Educational Program. The teachers may, at the discretion of PrepNet, be assigned to work at the School on a full or part time basis. If assigned to work at the School on a part time basis, the teacher(s) may also be assigned to work at other schools for which PrepNet provides services. The cost for such teacher(s) shall be

shared proportionately among the schools at which PrepNet has assigned the teacher(s) to work. Each teacher assigned to work at the School shall hold a valid teaching certificate issued by the state board of education or applicable state agency to the extent required by the Authorizing Law.

D. Support Staff. PrepNet shall, consistent with this Article, assign to perform Services at the School, qualified support staff as needed for PrepNet to operate the School in an efficient manner. The support staff may, at the discretion of PrepNet, be assigned to work at the School on a full or part time basis. If assigned to work at the School on a part time basis, the support staff may be assigned to work at other schools for which PrepNet provides services. The cost for such support staff shall be shared proportionately among the schools at which PrepNet has assigned the support staff to work. An individual assigned to work at the School that is not teaching, but for which a license is required under applicable law, shall have the appropriate license.

E. Training. PrepNet shall provide or procure training in its methods, curriculum, program, and technology to all teaching personnel on a regular basis. Instructional personnel shall be required to obtain at least the minimum hours of professional development as required by applicable law. Non-instructional personnel shall receive training as PrepNet determines reasonable and necessary under the circumstances.

F. Background Checks and Qualifications. PrepNet shall comply with applicable law regarding background checks, unprofessional conduct searches and certification/licensure, as applicable, for all persons working in the School, the costs of which shall be included in the Budget.

G. Terms of Employment. No member of the staff at the School shall be subject to any covenant not to compete or other employment restriction as part of the terms of his or her employment with PrepNet for the Services.

H. Limitations on Discretion. All decisions made by PrepNet, and any discretion exercised by PrepNet, in its selection, hiring, evaluation, assignment, discipline, transfer, and termination of personnel, shall be consistent with the Budget, the Charter, the parameters adopted and included in the Educational Program, and applicable law.

ARTICLE IX

INDEMNIFICATION

A. Indemnification of Parties. To the extent not prohibited by the Charter or applicable law, the Parties hereby agree to indemnify, defend, and hold the other (the "**Indemnified Party**"), harmless from and against any and all third-party claims, actions, damages, expenses, losses or awards which arise out of (i) the negligence or intentional misconduct of the indemnifying party, (ii) any action taken or not taken by the indemnifying party, or (iii) any noncompliance or breach by the indemnifying party of any of the terms, conditions, warranties, representations, or undertakings contained in or made pursuant to this Agreement. As used herein, Indemnified Party shall include the party's trustees, directors,

officers, employees, agents, representatives and attorneys. The Parties may purchase general liability, property, or other insurance policies. Notwithstanding anything in this Agreement to the contrary, the Board shall not be precluded by the terms of this Agreement from asserting or declining to assert a claim of governmental immunity.

B. Indemnification of Authorizer. The parties acknowledge and agree that the Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives are deemed to be third party beneficiaries for purposes of this Agreement. As third party beneficiaries, the parties hereby promise to indemnify and hold harmless Grand Valley State University Board of Trustees, Grand Valley State University and its members, officers, employees, agents or representatives from all claims, demands, or liability, including attorney fees, and related expenses, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever and not caused by the sole negligence of Grand Valley State University, which arise out of or are in any manner connected with Grand Valley State University Board's approval of the School of Excellence application, the University Board's consideration of or issuance of a Contract, the Academy's preparation for and operation of a public school, or which are incurred as a result of the reliance by Grand Valley State University and its Board of Trustees members, officers, employees, agents or representatives upon information supplied by the Academy or the ESP, or which arise out of the failure of the Academy to perform its obligations under the Contract issued to the Academy by Grand Valley State University Board of Trustees. The parties expressly acknowledge and agree that Grand Valley State University and its Board of Trustee members, officers, employees, agents or representatives may commence legal action against either party to enforce its rights as set forth in this Agreement."

ARTICLE X

INSURANCE

A. Insurance Coverage. PrepNet shall maintain such policies of insurance as required by the Charter, the Authorizers insurance carrier recommendations, and applicable law. Each party shall, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this Article. In the event that the Authorizer's insurance carrier recommends any change in coverage, PrepNet agrees to comply with any change in the type and amount of coverage as requested by the Authorizer's insurance carrier within thirty (30) days after notice of the insurance coverage change is provided to PrepNet. Each party shall comply with any information or reporting requirements required by the other party's insurer(s), to the extent reasonably practicable.

B. Workers' Compensation Insurance. Each party shall maintain workers' compensation insurance as required by law, covering their respective employees.

ARTICLE XI

REPRESENTATIONS & WARRANTIES

A. Board and School. The Board represents and warrants, for itself and on behalf of the School, that: (i) it is legally vested with all power and authority necessary to operate a charter school under the Authorizing Law; (ii) it is legally vested with all power and authority necessary to execute, deliver and perform this Agreement, including without limitation, the power and authority to contract with a private entity for the provision of educational, business administration and management services; (iii) its actions have been duly and validly authorized, and it has adopted any and all resolutions or expenditure approvals required for the execution of this Agreement; and (iv) there are no pending actions, claims, suits or proceedings, or, to its knowledge, threatened or reasonably anticipated against or affecting either the Board or the School, which if adversely determined, would have a material adverse effect on its ability to perform under this Agreement.

B. PrepNet. PrepNet represents and warrants that: (i) it is a corporation in good standing and is authorized to conduct business in the State of Michigan; (ii) it is legally vested with all power and authority necessary to execute, deliver and perform this Agreement; (iii) there are no pending actions, claims, suits or proceedings, or, to its knowledge, threatened or reasonably anticipated against or affecting PrepNet, which if adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement; and (iv) it will comply with all registration and licensing requirements relating to conducting business under this Agreement, which the Board agrees to assist PrepNet in applying for such licenses and permits and in obtaining such approvals and consents.

ARTICLE XII

MISCELLANEOUS

A. Entire Agreement. This Agreement and any attachments hereto shall constitute the entire agreement of the Parties on the subject matter set forth herein. This Agreement supersedes and replaces any and all prior agreements and understandings regarding the subject matter set forth herein between the School and PrepNet.

B. Force Majeure. Except for payment obligations, and notwithstanding any other provisions of this Agreement, neither party shall be liable for any delay in performance or inability to perform due to acts of God, war, riot, embargo, fire, explosion, sabotage, flood, accident, labor strike, or other acts beyond its reasonable control; provided either party may terminate this Agreement in accordance with provisions contained herein if sufficient grounds exist as provided in the Article governing termination.

C. State Governing Law; Waiver of Jury Trial. This Agreement shall be construed, interpreted, governed and enforced pursuant to the laws of the State of Michigan, without regard to its conflict-of-laws principles. The Parties hereby waive the right to a jury trial in any action, proceeding or counterclaim brought by either PrepNet or the School against the other.

D. Notices. All notices and other communications required by this Agreement shall be in writing and sent to the Parties at the facsimile number or address set forth below. Notice may be given by: (i) facsimile with written evidence of confirmed receipt by the receiving party of the entire notice; (ii) certified or registered mail, postage prepaid, return receipt requested; or (iii) personal delivery. Notice shall be deemed to have been given on the date of transmittal if given by facsimile, upon the date of postmark if sent by certified or registered mail, or upon the date of delivery if given by personal delivery. For purposes of the foregoing, "**personal delivery**" shall include delivery by nationally recognized overnight courier (such as FedEx), if signed for by the recipient or a delegate thereof. Notices to the School shall be sent to the current address of the then current Board President, with a copy to the then current Board attorney. The addresses of the Parties for the purposes aforesaid, including the address of the initial Board President, are as follows:

The School:

Taylor Preparatory High School
Attn: President, Board of Directors
9540 Telegraph
Taylor, Michigan 48180
Telephone: () -

WITH A COPY TO:

Joseph Urban
Clark Hill
151 S. Old Woodward Avenue
Suite 200
Birmingham, MI 48009
(248) 988-1829

PrepNet:

PrepNet, LLC
Attn: Chief Financial Officer
3755 36th Street SE, Suite 250
Grand Rapids, MI 49512
Telephone: (616) 726-8900
Facsimile: (616) 726-8901

WITH A COPY TO:

McShane & Bowie
Attn: John R. Grant
1100 Campau Square Plaza
99 Monroe Ave., NW
Grand Rapids, MI 49501
Telephone: (616) 732-5013
Facsimile: (616) 732-5099

E. Assignment. PrepNet may assign this Agreement with the prior written approval of the Board and in a manner consistent with the Authorizer's policies.

F. Amendment. This Agreement shall not be altered, amended, modified or supplemented except by memorandum approved by the Board and signed by both an authorized officer of the School and PrepNet and in manner consistent with the Authorizer's policies.

G. Waiver. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision. Nor shall such waiver constitute a continuing waiver unless otherwise expressly stated.

H. Costs and Expenses. If any Party commences an action against another Party as a result of a breach or alleged breach of this Agreement, the prevailing Party shall be entitled to have and recover from the losing Party reasonable attorneys' fees and costs of suit.

I. Severability. If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms and provisions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the Parties shall use their best efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term or provision.

J. Delegation of Authority. Nothing in this Agreement shall be construed as delegating to PrepNet powers or authority of the Board which are not subject to delegation by the Board under the Charter or applicable law.

K. Compliance with Law. Each party will comply with the Charter and laws applicable to the performance of such party's obligations hereunder.

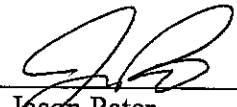
L. Time of Essence. The Parties understand and agree that time is of the essence in performing their respective responsibilities under this Agreement.

[Signatures on Following Page]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the Effective Date.

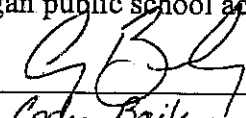
PrepNet:

PrepNet, LLC
a Michigan limited liability corporation

By: 
Jason Pater
Its: President

SCHOOL:

Taylor Preparatory High School
a Michigan public school academy

By: 
Cody Bailey
Its: Board President

SCHEDULE 7

ACADEMY SPECIFIC INFORMATION & EDUCATIONAL PROGRAM

SCHEDULE 7-1

EDUCATIONAL GOALS AND PROGRAMS

SCHEDULE 7-1

EDUCATIONAL GOALS

Standards for Schools Serving Students from Ninth to Twelfth Grade:

Standard #1: The public school academy will meet or exceed the performance of its select peer district's ACT composite or successor state test performance for all groups of pupils. A select peer district is the school district Grand Valley State University identifies as a reasonable comparison district for the public school academy.

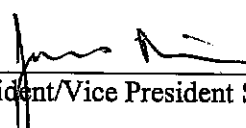
Standard #2: The public school academy will not average more than one-half a standard deviation below GVSU's ACT or successor state assessment/Free-Reduced Lunch regression model for all grades and subjects included in the model.

Standard #3: The public school academy will meet or exceed its select peer district's four-year adjusted cohort graduation rate. A select peer district is the school district Grand Valley State University identifies as a reasonable comparison district for the public school academy.

Standard #4: The public school academy will meet or exceed its select peer district's annual percent daily attendance for all grades as recorded by the MDE. A select peer district is the school district Grand Valley State University identifies as a reasonable comparison district for the public school academy.

Date:

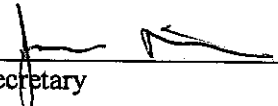
3/7/13


Board President/Vice President Signature

Secretary's Certification:

Taylor Preparatory High School

I certify that the foregoing resolution was duly adopted by the _____ Board of Directors at a properly noticed open meeting held on the 7th day of March, 2013, at which a quorum was present.


Board Secretary

SCHEDULE 7-2

CURRICULUM



Program of Study 2013-2014

MISSION

The mission of Taylor Prep is to prepare each student for college success.

ADMISSIONS

As a public school of choice, Taylor Prep seeks students who have a serious desire to learn and work diligently to prepare for higher education. Taylor Prep is a college preparatory academy chartered by Grand Valley State University. Taylor Prep, during open enrollment periods, is open for any student in Michigan. Because space is limited, students are encouraged to enroll before the end of the open enrollment period (fourth Friday in February) preceding the new school year.

REGISTRATION PROCEDURES

1. Read the course descriptions in the Program of Study very carefully and thoroughly before you begin planning your schedule. It is important to view all possibilities before beginning to choose courses for the upcoming academic year.
2. Be sure to note required courses and credits, as well as prerequisites, grade requirements, and teacher approval.
3. Plan your program not only in light of your special interests and activities, but also with the intention of broadening your interests and enriching your background.
4. Before you reach a final decision on courses, discuss your choices with your parents and teachers. Students and parents are encouraged to meet with the school counselor or administration to discuss options in scheduling.
5. Each student must turn in a registration sheet by the end of February of the current school year to assure priority in scheduling and to assure his or her enrollment status for the next school year.

HIGH SCHOOL GRADUATION REQUIREMENTS

Twenty-two credits is the minimum requirement for graduation from Taylor Prep. All courses required for graduation must be taken at Taylor Prep or a school that Taylor Prep recognizes in case of transfers.

Department	Credits	Department	Credits
English	4.0	Math	4.0
Science	3.0	History	3.0*
Foreign Language	2.0	Physical Education	1.0**
Fine Arts	2.0	Electives	3.0
Credits Total = 22.0			

**Required: World History, Government, and US History (1 year each)*

***Independent physical education activities meeting state benchmarks for Physical Education/Health may be substituted to meet this criteria with approval by the Athletic Director and Principal*

In addition to the above, students must complete the following to earn credit for graduation

- 60 hours of community service
- Completion of a Senior Project
- Successful completion of at least two Advanced Placement courses
- Successful application and acceptance into a 4-year college or university

Taylor Prep's high school graduation requirements have been determined with the school's mission of college preparation as a guide. Successful completion of these graduation requirements is necessary to earn a diploma from Taylor Prep.

Students with disabilities will be assisted in meeting these graduation requirements as appropriate. Students with disabilities who are unable to meet these graduation requirements or for whom these requirements are deemed inappropriate may instead request an individualized course of study leading to a Graduate Equivalency Diploma.

COLLEGE ADMISSION REQUIREMENTS

Before selecting courses, students should review college admission requirements available in the counselor's office as well as on individual school websites.

Taylor Prep recommends applicants to competitive colleges or university successfully complete the following high school program, including as many AP offerings in each subject as possible:

- 4 years of English
- 4 years of history
- 4 year of mathematics
- 4 years of science (including biology, chemistry, physics)
- 4 years of foreign language

ADVANCED PLACEMENT COURSES

Courses in the Advanced Placement (AP) Program are college-level studies. As such, the homework requirements for these courses exceed those of non-AP courses. As an example, for every hour of course time, a student may be asked for an hour or more of work to be completed outside of class. Students who register for these classes take the standardized AP examination in May, for which there is a fee. The scores are used as a measurement for placement in college courses with the possibility of receiving college credit.

To determine if Advanced Placement courses are the right option for you, please see the course instructor.

PrepNet Core Academic Program				
Subject Area	9th Grade	10th Grade	11th Grade	12th Grade
Science	Biology Honors Biology	Chemistry AP Biology	Physics AP Chemistry	AP Physics AP Biology AP Chemistry Human Anatomy
Math	Algebra 1 Geometry	Geometry Algebra 2	Algebra 2 Pre-Calculus	Pre-Calculus AP Calculus AP Statistics
Foreign Language	Two or more years in Spanish or other language, AP Spanish			
English	English 9	English 10	English 11 AP Language	English 12 AP Literature
History	World History AP World History	Civics & Economics AP Government	US History AP US History	Global Topics AP European History
Visual Arts	Foundational Art, 2D/3D Art, Digital Media Design, AP Art Studio, AP Art History			
Performing Arts	Concert Band, Concert Choir, AP Music Theory			
Physical Education / Health	Physical Education / Health			
Other Electives*	Computer Applications, AP Psychology, Sociology, AP Economics			
Community Service	60 hours of Community Service			
Monday Electives*	Jazz Band, Creative Writing, Digital Media, Science Olympiad, Community Service			
Athletics*	Soccer, Volleyball, Basketball, Cross Country, Track			

*Actual programs offered will be determined by student interest and faculty availability

SAMPLE FOUR-YEAR SCHEDULE

9TH Grade Example Schedule

English 9
World History 9 or AP World History
Biology
Algebra I, Geometry or Algebra 2
Spanish 1 or other foreign language
Concert Band or Foundational Art
Monday Elective

10th Grade Example Schedule

English 10
Civics/Economics or AP US Government
Chemistry and/or AP Biology
Geometry, Algebra 2 or Precalculus
Spanish 2 other foreign language
Symphonic Band or 2D/3D Design
Monday Elective

11th Grade Example Schedule

English 11 or AP English Language
US History or AP US History
Physics and/or AP Biology and/or AP Chemistry
Algebra 2, Precalculus or AP Calculus AB
Spanish 3 other foreign language
Symphonic Band, Advanced 2D/3D Design or other elective
Monday Elective

12th Grade Example Schedule

English 12 or AP English Literature
Global Topics or AP European History
AP Biology, AP Chemistry, AP Physics, or Human Anatomy and Physiology
Precalculus, AP Calculus or AP Statistics
Spanish 4 or AP Spanish or Elective
Symphonic Band, AP Studio Art, or other elective
Monday Elective

COMMUNITY SERVICE

Our community service program is designed to involve every student at Taylor Prep in the life of our community. The program will foster concern for worldwide issues in order to aid students in discovering their ability and responsibility to make a positive difference in the world. All high school students must complete a minimum of 60 hours before graduating. Transfer students will be evaluated on an individual basis and will have a prorated requirement.

SENIOR PROJECT

All students must successfully complete a senior project in order to earn a diploma from a PrepNet High School. There are four main objectives and functions of the senior project:

1. To serve as a capstone for the PrepNet curriculum
2. To expose students to independent research and writing
3. To explore a relevant topic related to a career interest, college major, or future goal
4. To make a valuable contribution to the common good and lead to a life well lived

The Senior Project is intended to embrace the 4 R's of the PrepNet curriculum: rigor, relationship, relevance, and responsibility. Throughout the process, students will complete four steps:

1. Research and Deadlines
2. Project or Product
3. Presentation
4. Reflection Paper

COLLEGE ENTRANCE EXAMS

Taylor Prep strongly encourages all 9th and 11th grade students to take PSAT/NMSQT during October of each year. In addition, sophomores will have an opportunity to take the PLAN test and ALL juniors take the ACT in March as part of the Michigan Merit Examination. Additionally, juniors are highly encouraged to take the ACT and SAT in the spring of their junior year on the national testing dates through one of several local high school tests centers. Students may repeat these tests as often as desired.

CHARACTER AND LEADERSHIP DEVELOPMENT

Central to instruction in the humanities courses is the teaching of ethics, logic, and philosophy. Teachers will model in their instruction the spirit of Socrates' assertion that "the unexamined life is not worth living." Teachers will explore the history of the concept of the Greek cardinal virtues: Justice, Temperance, Prudence, and Fortitude throughout the history of Western political and philosophical thought. Students will be introduced to the works of Plato, Aristotle, Machiavelli, Locke, Hume, and Kant. They will discuss the concept of virtue with students, model it, and encourage students to demonstrate it as well. The character development program will be integrated with literature and other subject matter in an effort to make it as relevant to daily living as possible.

ADVISORY PROGRAM

The Advisory Program provides guidance and curriculum for students in grades 9-12 and targets outcomes for each student. Teachers use a college readiness curriculum supported by the College Board. Lessons help students with college and career planning as well as aim at improving academic

strategies. The intent of the course is to help students discover for themselves the power of a college education and develop a mature vision for themselves of “a life well lived.”

Other benefits of the Advisory Program are to provide students with a teacher advocate to promote the opportunity of belonging to a focused peer group and to help students find ways to be successful within the academic and social options the school provides. The Advisory Program provides support and resources in preparation for college and life.

Students will earn letter grade for advisory according to four criteria:

1. Moral focus as evidence in daily student conduct
2. Attendance and tutoring participation
3. Class activities
4. College readiness file

GRADES

Students receive letter grades via Infinite Campus postings four times each year. At the end of each semester, letter grades will be grades-of-record to compute a student's GPA. Each mid-semester, the letter grade will only be an indication of the student's progress and performance at that time and such grades do not calculate as grades-of-record. Parents and students are encouraged to regularly access online grades and attendance via the Infinite Campus online portal.

INFINITE CAMPUS PARENT PORTAL

This is the primary tool for the school to communicate with parents regarding academic performance. Parents and students are eligible to use the Infinite Campus student/parent online portal. This service allows a parent and/or their student(s) to use the internet to log on to a secure website to view grades, assignments, attendance, and other data that has been posted by Taylor Prep. To gain access to the portal, parents must sign an access form and return it to the registrar. Only parents/ guardians and students may receive access. Between each grading period, a student's progress will be posted to Infinite Campus for parents and students to access on a weekly basis. Parents who are unable to access the internet from home or their public library are encouraged to visit the school and access the system from the school media center.

A link to the online portal is provided on our website at www.taylorprep.com.

INCOMPLETE GRADES

Incomplete grades must be made up within the two-week period at the end of a grading term. Failure to complete the work within the two-week period may result in a failing grade. Incomplete grades are allowed only for a serious reason (e.g. prolonged student illness with appropriate documentation).

GRADING SCALE

Grade Point Average (GPA) reflects coursework completed at Taylor Preparatory High School. Students who transfer during high school and are concerned about GPA should consult with the principal or college counselor.

Grade	Grade Points for Normal Classes	Grade Points for AP Classes *	Interpretation
A	4.0	5.0	Highest Distinction
A-	3.7	4.7	High Distinction
B+	3.3	4.3	Distinction
B	3.0	4.0	Laudable
B-	2.7	3.7	Commendable
C+	2.3	3.3	Satisfactory
C	2.0	3.0	
C-	1.7	2.7	Unsatisfactory
D+	1.3	1.3	Poor, not passing
D	1.0	1.0	
D-	0.7	0.7	
F	0.0	0.0	Failing and unacceptable

*A student in an Advanced Placement course earns the weighted grade points *only* if the student achieves a C- or better in the class *and* earns a grade of 2 or higher on the College Board AP Exam.

Monday electives will also receive letter grades. However, these courses will not be computed in a student's GPA.

HONOR ROLL

The Honor Roll is computed on the basis of courses taken at Taylor Prep. At the end of each semester, special recognition may be given to all students who have achieved excellence in their academic program.

Summa Cum Laude (with highest honor)...A average
Magna Cum Laude (with high honor)...A-/B+ average
Cum Laude (with honor)...B average

SCHEDULE CHANGES

After the registration process is complete, a schedule change will take place only in the following cases:

- If the change is recommended by the instructor or department chairperson
- If the student has a schedule conflict
- If the student needs a course for college or graduation.

All schedules are final after the first ten school days of the semester. Schedule changes will not occur for the following reasons: teacher preferences or conflicts, convenience of meeting time, and difficulty of the course.

WITHDRAW GRADES

A *W* is placed on the permanent records of students who are allowed to drop courses after the ten-day period in which changes are permitted. Such drops require the permission of the principal and are made only in special circumstances.

POLICY ON ACADEMIC PROBATION

Students who earn either one failing grade or have a grade point average less than 2.0 are placed on academic probation. Students who are placed on academic probation for two or more consecutive semesters may need to repeat coursework or an entire grade level at Taylor Prep. Students in this situation will receive written notification from the school and may also be required to attend Summer Academy sessions for credit recovery. Students on academic probation may not be able to participate in extra-curricular activities until their academic standing improves.

SUMMER ACADEMY

Students must earn a "C-" (70) or higher for each final grade to be promoted to the next grade level in each core subject. Students who fail the course due to the final exam may be offered a two week review period and may retake the exam. Students who fail the course and the exam will need to retake the course either during a six week Summer Academy session (when available) or by repeating the course during the next school year. Students who are not successful during Summer Academy will be required to retake the course during the next school year. Taylor Prep's core courses cannot be replaced with summer school credits outside of the Taylor Prep Summer Academy.

ATHLETIC ELIGIBILITY

In accordance with MHSAA policy, Taylor Prep students need to maintain a minimum 2.0 cumulative GPA and be passing all of their classes to be eligible for interschool athletics. Eligibility checks are conducted weekly beginning in the fourth week of each semester.

CURRICULUM EVALUATION PLAN

The curriculum and instructional strategies will be reviewed annually. This review will target problem areas and possible solutions using student achievement results.

The Taylor Prep staff will be committed to the overall success of the high school. Prior to the start of a new school year, the staff will meet for training sessions and strategic planning. The training sessions will focus on research-based teaching strategies of core subjects, additional subjects, and the character development program.

People from all areas of the school community, including: administration, faculty, students, parents, community members, and board members will be invited to give input to the school improvement planning team. It will be the goal of the team to identify curriculum changes needed, strategies to

implement, and professional development needed to improve weak areas. The staff will review the plan and make additional suggestions, as well as develop personal goals and improvement plans for their area of responsibility. The School Improvement Plan will be published for staff implementation prior to each new school year.

Over time, the most important measure of our school's effectiveness will be the percentage of students who graduate from high school with the opportunity to attend college. Based on a longitudinal study, results will show that a greater percentage of students from Taylor Prep graduate from high school with this opportunity than from the high schools in the traditional public school districts where they reside.

ACADEMIC CURRICULUM GUIDE

ENGLISH DEPARTMENT

English instruction at Taylor Prep reflects the English Language Arts College Board Standards for College Success. These standards define rigorous expectations for student proficiency in reading, writing, speaking, listening, and media literacy. Students are expected to:

- develop a repertoire of reading comprehension strategies they can draw on to comprehend, analyze, and critique both literary and informational texts
- develop a repertoire of writing strategies and a familiarity with certain types of writing commonly taught in the classroom, including argumentative writing, research writing, literary analysis, and creative and reflective writing
- speak effectively in interpersonal, group, and public contexts
- become active and effective listeners
- view critically and produce media

The Great Books lists and the Advanced Placement Literature recommended reading lists provide guidance for teachers in selecting literature.

ENGLISH 9: PRE-AP COMPOSITION AND LITERATURE

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 9

Prerequisites: Successful completion of English 8 and ability to read and write proficiently at grade level.

In preparation for AP courses, students will strengthen their reading, writing, speaking, and listening skills as they study the theme "Coming of Age." They will be exposed to five genres of literature: poetry, short stories, drama, media, and the novel. Students will learn and practice critical reading comprehension strategies for each genre. Significant attention will be paid to literary analysis in each genre, including learning and applying new literary vocabulary. Students will focus on the process of writing and produce responses to literature that include comparison/contrast, research, descriptive, and persuasive essays. Mechanics, usage, and style will be reviewed as needed in coursework. Additional attention will be given to the use of primary sources, as well as MLA format. Students will also develop strategies for oral literacy and collaborative learning to prepare them for higher level discussion-based classes.

Selected works may include: selections from *the Iliad and the Odyssey*, *To Kill a Mockingbird*, *Romeo and Juliet*, and selected non-fiction texts, short stories, and poetry.

ENGLISH 10: PRE-AP COMPOSITION AND LITERATURE

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 10

Prerequisites: Successful completion of English 9 or permission of instructor.

In accordance with the themes students encounter in history, literature selections in tenth grade English introduce and invite students into cultural conversations. Students consider the themes of community, culture, and justice as they read diverse texts. Students focus on the continued development of analytical writing skills, with particular attention paid to voice and academic writing. Research methods, presentations, and papers will be emphasized throughout each semester with significant attention paid to MLA format. Students will be led through a variety of writing projects, including in-class timed writings, multi-draft papers, and research projects. Mechanics and grammar will be reviewed as needed in coursework.

Selected works may include: *The Absolutely True Diary of a Part-Time Indian*, *Things Fall Apart*, *Fences*, *Julius Caesar*, and multiple independent novels, as well as assorted non-fiction selections, short stories, and poetry.

ENGLISH 11: AMERICAN LITERATURE

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 11

Prerequisites: Successful completion of English 10 or permission of instructor.

Eleventh grade English students focus on some of the works of our country's significant writers. Students will focus on the theme of "Journeys" and have the opportunity to see how literature is influenced by the social and historical period in which it was written. Student writing will primarily focus on formal responses to literature in preparation for college level expository writing as well as the ability to synthesize information to prepare for a large research project. Students are expected to produce thesis-statement-driven, multi-page essays that discuss prominent themes, character motivations, and symbolism in their reading. Students will also practice writing college application essays. Mastery of mechanics, usage, style, and coherence will be the focus of student writing. Research will be done according to MLA format.

Selected works may include: *Their Eyes Were Watching God*, *The Great Gatsby*, *The Kite Runner*, *The Crucible*, *Palestine* and selected poetry and short stories.

AP ENGLISH LANGUAGE AND COMPOSITION

Course length: 2 semesters

Credits: 1.0

Recommended Grade Level: 11

Prerequisites: Permission from instructor and completion of summer reading program (see instructor for details)

Advanced Placement English Language and Composition students focus on college level reading selections, discussion, and writing. The course will concentrate on a comprehensive study of literature and language. AP English Language and Composition is designed to prepare the students for the May examination that allows students a chance to earn college credit. Students will identify rhetorical devices, literary devices, and various organizational structures in their reading. Students will practice these devices and structures in their own writing. Students are required to complete summer reading in preparation for the class. Students in this class are expected to take the Advanced Placement Examination in May.

Selected works will include: biographies, history writing, critiques, essays, excerpts from fiction, journalistic writing, political writing, writing from science and nature, and various forms of media.

ENGLISH 12: GLOBAL ISSUES

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 12

Prerequisites: Successful completion of English 11 or permission of instructor.

Twelfth grade English students focus on some of the significant and representative literature of the world and will critically compare and contrast the major works and themes that have shaped the world's literature including poverty, racism, and politics. Writing assignments will continue to prepare students for college level expository writing. These include a formal research paper, literary criticism, and multi-genre response; the academic year will culminate with a "Life View Paper." Mechanics and grammar will be reviewed as necessary in student writing. Research will be done according to the MLA format.

Selected works may include: *The Women of Brewster Place*, *Siddhartha*, *Our America*, *Slaughterhouse-Five*, *Hiroshima*, *Interpreter of Maladies*, *Macbeth*, *King Lear*, and selected poetry and short stories.

AP ENGLISH LITERATURE AND COMPOSITION

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 12

Prerequisites: Permission from instructor and completion of summer reading program (see instructor for details)

Advanced Placement English Literature students focus on college level reading selections and writing. Representative works of recognized literary merit from various genres and periods will be studied extensively. Students will read critically and write analytically in preparation for college level expository writing. The course is designed to prepare students for the May examination that allows students a chance to earn college credit. Students are responsible for completing summer reading in preparation for the class. Students in this class are expected to take the Advanced Placement Examination in May.

Selected works may include: *Hamlet*, *Crime and Punishment*, *Life of Pi*, *Les Misérables*, *A Prayer for Owen Meany*, *The Book Thief*, *A Raisin in the Sun*, and selected short stories and poetry.

A typical four-year English course of study:

9th grade	10th grade	11th grade	12th grade
English 9	English 10	English 11 or AP English Language	English 12 Or AP English Literature

HISTORY DEPARTMENT

At Taylor Prep, although the term "history" indicates a specific subject-area curriculum, history instructors identify various categories for classifying content standards: historical, geographic, civic, cultural, and economic perspectives; inquiry; public discourse and decision making; and citizen involvement. In each course, instructors and students will study a particular region of the world through analyses of the mentioned perspectives. History instructors work with instructors in other disciplines (English, the arts, foreign language) to help students recognize interdisciplinary relationships among various subjects.

The Michigan Merit Examination (March of Junior year) covers topics in late-nineteenth and twentieth centuries, geographic and environmental implications of global issues and events, American government and world affairs, and the United States and international economic systems. Students who follow the Taylor Prep history curriculum should be in a favorable position to perform well on the state proficiency test.

HISTORY 9: WORLD HISTORY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 9

Prerequisites: None

World History examines the world chronologically and thematically, focusing on the historical development of phenomena, the rise and fall of civilizations and their unique contributions to humanity, and the universal elements these civilizations have in common throughout time. European, Asian, Australian, African, North and South American events will be blended thematically and chronologically into lessons that show the impact on each area. The results of many of these actions will be observed and discussed concerning current events. Through readings, lectures, notes, videos, speakers, testing, discussions and projects, students are invited to gain a deeper knowledge of their world and explore how historically significant individuals may have defined a "a life well lived."

AP WORLD HISTORY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 9

Prerequisites: None

In addition to material covered in the World History course, this course prepares students for the Advanced Placement World History examination in the spring. AP World History at Taylor Prep is a college level course covering the period from the Neolithic Revolution to the present. Students should read and write at or above grade level to have the best opportunity for success. Through the reading of

primary-source documents and world literature, the course involves intensive study of the formulation of world cultures, paying special attention to change over time and comparing the effects of common historical phenomena on different cultures.

The following 5 historical themes will be explored:

1. Interaction between humans and the environment

- Demography and disease
- Migration
- Patterns of settlement
- Technology

2. Development and interaction of cultures

- Religions
- Belief systems, philosophies, and ideologies
- Science and technology
- The arts and architecture

3. State-building, expansion, and conflict

- Political structures and forms of governance
- Empires
- Nations and nationalism
- Revolts and revolutions
- Regional, trans-regional, and global structures and organizations

4. Creation, expansion, and interaction of economic systems

- Agricultural and pastoral production
- Trade and commerce
- Labor systems
- Industrialization
- Capitalism and socialism

5. Development and transformation of social structures

- Gender roles and relations
- Family and kinship
- Racial and ethnic constructions
- Social and economic classes

CIVICS & ECONOMICS

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 10

Prerequisites: None

Civics is the study of American government, politics, and economics. In this course, students examine the foundations of our political system, the institutions of American government, and the processes and participants of governing in America. Additionally, students study the dynamics of economic production, supply and demand, the national economy, and personal finance management. Much emphasis is placed on critical thinking, as well as reading, writing, speaking, and caring about current events/issues.

AP U.S. GOVERNMENT AND POLITICS

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 10

Prerequisite: Instructor Approval

AP U.S. Government and Politics is a college-level course of study available for 10th grade students as an alternative to Civics & Economics. Solid reading and writing skills, along with a willingness to devote considerable time to homework and study are necessary to succeed. This course addresses knowledge of facts, concepts, and theories pertaining to U.S. government and politics. Students will develop an understanding of typical patterns of political processes and behavior and their consequences including the components of political behavior, the principles used to justify various government structures and procedures, and the political effects of these structures and procedures. Work includes analysis and interpretation of data and relationships in U.S. government and politics; written analysis and interpretation of the subject matter of U.S. government and politics; and careful attention to the specific free-response question posed and ability to stay on task. Students in this class are expected to take the Advanced Placement examination in May.

HISTORY 11: U.S. HISTORY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 11

Prerequisites: None

U.S. History is a course designed for high school juniors to engage them in learning about their country and the events that have set the tone for current American thought. The course begins by focusing on the early days of Columbus and moves through the Colonial Era to the present day. Not only are students exposed to many different people, places, and dates, but they will also be exposed to the various cultural, societal, and political shifts found throughout American history. Students have the opportunity to participate in group discussions, projects, in-class writings, and daily interactive activities that encourage learning and understanding. As individuals and as a class, students are asked to make connections throughout history and recognize the patterns in thought and policy, historically, in an attempt to understand the current status of our country.

AP U.S. HISTORY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 11

Prerequisites: Permission of Instructor

This course is a college-level survey course in American history. Solid reading and writing skills, along with a willingness to devote considerable time to homework and study, are necessary to succeed. Students not only examine the facts of American history, but also analyze and synthesize historical information and study historiography as well. Students learn history is not a static set of events set in stone, but an ongoing human endeavor seeking to answer who we are, where we have been, and where

we are going as a nation. The class concludes with a college level examination, prepared by an independent testing agency, The College Board, which, if passed, may result in college credit.

HISTORY 12: GLOBAL TOPICS

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 12

Prerequisites: None

The History 12 course is an elective course for those students interested in understanding the world around them and the reasons for many of the issues we face today. In order to understand recent events, you must understand the past. Issues just don't happen one day; they develop over time. Students will research past events to make sense of the current events they hear every day on the news and/or read in the newspaper. The course is topic based and allows for discussion, analytical writing and individual exploration. Student interest will, in part, assist in determining which issues to be covered in depth. Our focus will typically be on the era post WWII to prepare students for understanding the world around them in a more mature, morally focused and analytical manner.

AP EUROPEAN HISTORY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 11

Prerequisites: Permission of Instructor

In addition to providing a basic narrative of events and movements, the goals of this college-level course are to develop an understanding of the principal themes in modern European history, an ability to analyze historical evidence, and an ability to analyze and to express historical understanding in writing. Periodic tests and research projects will monitor students' understanding and allow for greater examination of topics of personal interest. Students in this class are expected to take the Advanced Placement Examination in May.

The history department recommends the following course of study for students wishing to concentrate on history at Taylor Prep:

9th grade	10th grade	11th grade	12th grade
World History or AP World History	Civics & Economics Or AP US Government	United States History or AP US History	Global Topics Or AP European History

MATHEMATICS DEPARTMENT

The mathematics department strives to provide a curriculum, teaching, and learning environment consistent with the National Council of Teachers of Mathematics 2000 Principles and Standards, the Michigan High School Content Expectations, and the College Board Standards for College Success.

The College Board Standards for College Success describe a developmental progression of quantitative skills and mathematics concepts that students should master to be ready for success in college level

work, either during high school through Advanced Placement courses or during their freshman year in college. Within each standard are thematic strands, which develop a set of related process or content skills. The strands have been conceived at a level of granularity that will support meaningful diagnostic assessments and effective instruction. Within each strand are performance expectations, which teachers can use to evaluate specific student strengths and weaknesses within a strand.

ALGEBRA I

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 9

Prerequisites: Successful completion of middle school mathematics through pre-algebra. Knowledge of and experience with the order of operations, fractions/decimals/percents, and solving simple algebra equations.

This class lays the foundation for future study in mathematics. Students will study units involving relationships between quantities, reasoning with equations, linear and exponential relationships, descriptive statistics, expressions and equations, quadratic functions, and modeling

GEOMETRY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 9, 10

Prerequisites: Successful completion of Algebra I or permission of the mathematics department.

Students will study units involving proof, constructions, congruence, similarity, trigonometry, 3-dimensional problems, connecting algebra and geometry using coordinates, circles (with and without coordinates), and the applications of probability.

ALGEBRA II

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 10, 11, 12

Prerequisites: Successful completion of Algebra I and Geometry

Students will study units involving direct and inverse variation, power functions, multivariable functions, matrices, geometric transformations, correlation coefficients, nonlinear functions, common logarithms, graph theory, trigonometric functions, and probability.

PRECALCULUS

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 11, 12

Prerequisites: Successful completion of Algebra II

Students will study units involving derivatives, integrals, vectors, parametric equations, logarithms, counting models, polynomial and rational functions, symbolic reasoning, complex numbers, and trigonometric identities.

AP STATISTICS

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 12

Prerequisites: Completion of Algebra II/Geometry with a B or better or successful completion of Precalculus. Permission of the mathematics department is required.

Topics covered include organizing data, samples and experiments, probability, and statistical inference. Students will spend the year preparing for the Advanced Placement Statistics examination. Successful completion of the AP examination may earn the student college credit. Students in this class are expected to take the Advanced Placement Examination in May.

AP CALCULUS

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 12

Prerequisites: Successful completion of Pre-calculus and permission of the mathematics department.

Students will spend the year preparing for the Advanced Placement Calculus examination. Successful completion of the AP examination may earn the student college credit. Topics covered include in-depth study of limits, derivatives, and integrals. Students in this class are expected to take the Advanced Placement Examination in May.

A typical mathematics course of study:

9th grade	10th grade	11th grade	12th grade
Algebra Or Geometry	Geometry Or Algebra II	Algebra II Or Precalculus	Precalculus, AP Statistics, or AP Calculus

SCIENCE DEPARTMENT

The Taylor Prep science department is committed to presenting information to the students in ways that promote scientific thinking, data analysis, and inquiry-based learning. Each course, in addition to focusing on the mastery of essential concepts, endeavors to prepare students for a second phase of Advanced Placement coursework. Where appropriate, labs are used to provide hands-on learning opportunities.

BIOLOGY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 9

Prerequisites: None

In this class, labs, group projects and research papers are done to explore the study of life. An important focus of this class is the subject-specific vocabulary. The concepts that will be studied include: scientific method, biochemistry, classification, ecology, comparative anatomy, genetics, cells, and evolutionary patterns.

HONORS BIOLOGY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 9

Prerequisites: Exemplary middle school academic performance

In addition to the above, this course is designed to challenge students by increasing the depth and breadth of their understanding of biological concepts. Students should be prepared to think critically, process complex material quickly, and read above grade level. Successful students will be prepared to take Advanced Placement Biology in 10th grade.

AP BIOLOGY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 10, 11, 12

Prerequisites: Honors Biology or both Biology and Chemistry

This course is designed for those students who intend on majoring in a science field in college or wish to test out of part of their college science requirement. This course is meant to mirror a college biology course. The topics covered are similar to topics in the regular biology course, but are covered in far more depth. A standard set of AP labs is completed throughout the year and students are prepared to complete a comprehensive exam in May that will determine college credit. Students in this class are expected to take the Advanced Placement Examination in May.

CHEMISTRY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Level: 10

Prerequisites: Biology

This course provides a yearlong introduction to chemistry. First semester topics include energy and matter, atomic structure and configurations, the periodic table, chemical formulas and bonding, chemical reactions and equations, and moles. Second semester topics include heat and stoichiometry, states of matter, solutions and chemical equilibrium, and acids and bases. Labs done throughout the year provide an opportunity to apply knowledge learned during discussion and group work exercises.

AP CHEMISTRY

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 11, 12

Prerequisites: Chemistry

This course is designed for those students who intend on majoring in a science field in college or those who wish to test out of part of their college science requirement. This course is meant to mirror a college chemistry course. The topics covered in this course are similar to topics in the regular chemistry course, but are learned more in-depth and with more calculations and application in labs. Furthermore, other topics studied include chemical kinetics and thermodynamics, oxidation-reduction reactions, electrochemistry, and organic chemistry. Lab work is documented in specific laboratory notebooks and lab reports are expected to be written as if the results were being published in professional chemistry journals. Students in this class are expected to take the Advanced Placement Examination in May.

PHYSICS

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 11, 12

Prerequisites: Biology, Chemistry, Geometry

Physics is the study of the laws of nature at their most basic level. This course is a yearlong introduction to physics. During the first semester, topics covered include one-dimensional, two-dimensional, and circular motion, energy, and matter. The second semester topics are heat, electricity and magnetism, light and waves, and atomic nature. The students will employ hands-on activities and utilize their problem solving skills. Students must have successfully completed Algebra I and Geometry.

AP PHYSICS

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 11, 12

Prerequisites: Successful completion of Algebra II & Physics, along with permission of the instructor.

This class may cover essentially the same topics as regular physics, but the goal will be to prepare students for the AP Physics exam. Thus, the class will be paced faster than regular physics and be much more rigorous. Students should have a strong math background. Students in this class are expected to take the Advanced Placement Examination in May.

A typical science course of study:

9th grade	10th grade	11th grade	12th grade
Biology or Honors Biology	Chemistry and/or AP Biology	Physics, AP Biology, and/or AP Chemistry	AP Biology, AP Chemistry, or AP Physics

SPANISH DEPARTMENT

Students in the Spanish program develop the ability to communicate in another language and gain insight into themselves and others. They acquire knowledge of the structure and function of the Spanish language and Spanish speaking societies. The study will provide learners with access to additional knowledge and skills necessary to function in a global community and workplace.

All students may participate in the National Spanish Exam (NSE), which is a nationally recognized test for students whose teachers are members of the American Association of Teachers of Spanish and Portuguese (AATSP). It is designed to promote achievement in vocabulary and grammar and there are awards for top-scoring participants at the state and national level.

SPANISH I

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 9

Prerequisites: None

Students will learn basic vocabulary and conversation, introductory grammar studies and geography of the Spanish-speaking world with an emphasis on Mexico and Spain. They will be expected to write short passages and read simple stories with comprehension and make written and oral presentations on a variety of topics.

SPANISH II

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 9, 10, 11, 12

Prerequisites: Successful completion of Spanish I

Students will continue to study the critical concepts in grammar. Lessons will include practice speaking, listening, writing and reading in Spanish. The listening and reading material will include short stories and poems by Spanish language authors. Students will perform short skits and dialogues in class as well as complete a variety of projects that may require an oral presentation in Spanish.

SPANISH III

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 10, 11, 12

Prerequisites: Successful completion of Spanish II

At this level of foreign language, students will extensively study the formation and use of grammar. There will be emphasis on the Subjunctive Mood. Required writing activities include production of original stories and journal writings as well as presentations to the class in the target language. Students will expand their knowledge of vocabulary by choosing challenge words. They will read selections from *Don Quixote de la Mancha* and Nobel Prizewinning authors Gabriel Garcia Marquez and Gabriela Mistral.

AP SPANISH LANGUAGE

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 11, 12

Prerequisites: Permission of Instructor

Students in this course will be preparing to take the Advanced Placement exam for Spanish Language given nationally every spring. Students can earn college credit if they successfully complete the exam. They will be required to perform comprehension, verbal, written and aural tasks on the exam. Students in this class are expected to take the Advanced Placement Examination in May.

LATIN DEPARTMENT

LATIN I

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 9, 10, 11, 12

Prerequisites: None

This first-year Latin course is open to all students. The course introduces students to the basics of the Latin language and Roman culture. Essentials of grammar, including declensions and conjugations, are taught with emphasis on English vocabulary enrichment and contemporary relevancy. Latin reading selections will generally come from the Ecce Romani text series and will include passages on Roman history and literature. Cultural materials of Greece and Rome will also be introduced. Along with translation activities, students will also compose their own original literary Latin works.

LATIN II

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 10, 11, 12

Prerequisites: Successful completion of Latin I

This second-year Latin course presents more advanced grammar with emphasis on English derivatives. Students will continue to review and practice basic grammar concepts from Latin I as they learn about the more complex aspects of Latin and language in general. Latin reading selections will generally come from the Ecce Romani text series and will include passages on Roman history and literature. Students will continue to relate cultural and language aspects of the class to the contemporary world. Along with translation activities, students will also compose their own original literary Latin works.

LATIN III

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 11, 12

Prerequisites: Successful completion of Latin II

This third-year Latin course continues to present more advanced grammar with an emphasis on English derivatives. Students will finish the Ecce Romani text series and begin a more serious introduction to Roman authors including Caesar, Cicero, and Isidore of Seville. Students will continue to relate cultural and language aspects of the class to the contemporary world. Along with translation activities, students will also compose their own original literary Latin works.

VISUAL ART DEPARTMENT

The art department of Taylor Prep provides a comprehensive and challenging visual art curriculum that reflects our school's mission statement. Students who complete the high school series of art courses will be prepared to enter college and life with real design and organizational skills along with a developed sense of personal aesthetics.

FOUNDATIONAL ART

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 9, 10, 11, 12

Prerequisites: None

Students in Foundational Art will be engaged in creative problem solving through projects that encourage the use of traditional, as well as digital, mediums. The effective use of the elements and principles of design will be emphasized throughout lessons and projects. An inspiring survey of genres and art forms will be investigated through art history, encouraging the emergence and development of personal voice and style.

2D/3D DESIGN

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 10, 11, 12

Prerequisites: Successful completion of Foundational Art

Students will build on art production techniques, historical knowledge, and creative problem solving skills gained in foundational art. Emphasis on the elements of excellent design organization will be applied to assignments using a variety of two-dimensional and three-dimensional mediums. Students will have the opportunity to develop projects based on individual areas of interest and focus.

DIGITAL MEDIA DESIGN

Course Length: 2 semesters

Credits: 1.0

Eligible Grade Levels: 10, 11, 12

Prerequisites: Successful completion of Foundational Art

Digital Media Design is intended to provide students with a comprehensive knowledge of the manipulation of digital medium. This class will serve as an introduction to digital imaging and computer-based art. Students will explore different avenues of visual communication, self-expression, and creative problem solving through the creation of commercial, interactive, and fine art. All work is based upon the study, aesthetics, purpose, and criticism of digital art forms. This course provides an introduction to basic concepts of graphic design such as color theory, composition, layout, perspective, and typography in the context of creating computer graphics. In this class, students will learn both the fine art and the business side of digital media; they will create a series of individual and group projects and will complete a digital portfolio of their work.

ADVANCED ART/AP STUDIO ART

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 11, 12

Prerequisites: Successful completion of two art courses or instructor approval

This course is the highest level of art offered at Taylor Prep. This course has a seminar/lecture component, but is mainly focused on developing individual art portfolios. The art portfolios are used for college applications, scholarship, AP credit, exhibitions, competitive exhibitions, and to create a body of work representing the culmination of a student's high school experience. Students should have at least completed two prerequisite art courses at Taylor Prep or, if transferring, have their portfolio reviewed from other secondary institutions. Students in this class are expected to take the Advanced Placement Examination in May.

MUSIC DEPARTMENT

Objectives of the Music Program:

- To teach music by its actual performance
- To develop performance skills of the various wind and percussion instruments
- To provide for the musical needs of the school and school community
- To develop discrimination with regard to the selection of music
- To acquaint the students with Music Theory / History and how history and musical composition relate to the students' current life and musical experiences
- To provide all students with the opportunity for worthy use of their time, a means for self-expression, and a healthy social experience
- To develop the ability to function as a responsible member of a group, enhance interaction, and develop Esprit de Corps
- To foster leadership skills within each student

INTRODUCTION TO CHORAL MUSIC

Course Length: 2 semesters

Credits: 1.0

Eligible Grade Levels: 9, 10, 11, 12

Prerequisites: None

This class is comprised of all students wishing to sing and improve their individual musicianship. Rehearsals and performances outside the school day will be required.

TAYLOR CHORALE

Course Length: 2 semesters

Credits: 1.0

Eligible Grade Levels: 9, 10, 11, 12 (By Audition Only)

Prerequisites: Prior music experience strongly recommended

The Taylor Chorale will be the premier vocal performing organization. Membership will be by audition only. The Taylor Chorale will be comprised of students with the performing ability for at least level III literature. Rehearsals and performances outside the school day will be required.

CONCERT BAND

Course Length: 2 semesters

Credits: 1.0

Eligible Grade Levels: 9, 10, 11, 12

Prerequisites: None

All instrumentalists will be enrolled in the band program. Students will learn basic fundamentals with instrumentation and will explore numerous styles and genres of music. Rehearsals and performances outside the school day will be required.

AP MUSIC THEORY

Course Length: 2 semesters

Credits: 1.0

Eligible Grade Levels: 10, 11, 12

Prerequisites: Minimum one year prior music experience and permission of instructor

This college-level course will develop students' abilities to recognize and understand the basic materials and processes of any music heard or read in a score. Content includes notational skills, intervals, key signatures, transposition, composition, counterpoint, and harmonization. Credit awarded for the AP Music Theory exam varies by university and may fulfill either general humanities or arts requirements, or it may help to fulfill the requirements for the music major. Students in this class are expected to take the Advanced Placement Examination in May.

PHYSICAL EDUCATION DEPARTMENT

PHYSICAL EDUCATION / HEALTH

Course Length: 1 semester PE / 1 semester Health

Credits: .5 PE / .5 Health

Recommended Grade Levels: 9, 10, 11, 12

This course will engage you in healthy activity to promote physical wellness in both body and in mind. This is an activity-based class; all students are expected to participate on a daily basis. Physical activity has been shown to help individuals think more clearly, breathe better, and be relaxed in a way that is conducive to the overall excellence academia. Fitness is a lifelong goal; by teaching you a healthy life style we expect you will continue this healthy life style after high school. Successful completion of two semesters of this course fulfills the Michigan Merit Curriculum Graduation Requirement of .5 credits Physical Education and .5 credits of Health Education.

ADVANCED PHYSICAL EDUCATION

Course Length: 2 Semesters

Credits: 1.0 Credit

Recommended Grade Levels: 10, 11, 12

This course will engage you in healthy activity to promote physical wellness in both body and in mind. This is an activity-based class; therefore all are expected to participate on a daily basis. This class provides a higher level of competition as well as a higher level of physical activity and wellness. An aspect of the class will require an academic workload which will assist you in a college exercise science class.

ADDITIONAL COURSE OFFERINGS**AP PSYCHOLOGY**

Course Length: 2 semesters

Credits: 1.0

Recommended Grade Levels: 11, 12

Prerequisites: None

This course is designed to introduce students to the systematic and scientific study of behavior and mental processes of human beings and other animals. Students are exposed to psychological facts, principles and phenomena associated with each of the major subfields within psychology. Principles of psychology include but are not limited to: biological basis of behavior, research methods, history and approaches, sensation and perception, states of consciousness, motivation, cognition, developmental psychology, and emotion. Students are required to complete an AP Psychology exam in the spring. Students will learn through experiential and project based learning combined with traditional lecture format. Students in this class are expected to take the Advanced Placement Examination in May.

SCHEDULE 7-3

STAFF RESPONSIBILITIES



TAYLOR

PREPARATORY HIGH SCHOOL

a bridge to a life well lived

Except as otherwise provided by law, the Academy shall use certificated teachers according to state board rule. The Academy may use noncertified individuals to teach as follows:

(a) A classroom teacher in any grade a faculty member who is employed full-time by the state public university and who has been granted institutional tenure, or has been designated as being on tenure track, by the state public university, and

(b) In any other situation in which a school district is permitted under this act to use noncertificated teachers.

All administrators or other person whose primary responsibility is administering instructional programs or as a chief business official shall meet the certification and continuing education requirements as described in MCL 380.1246.

Taylor Preparatory High School

SCHEDULE 7-3 STAFF RESPONSIBILITIES

The following is a listing of the main positions that will be staffed at Taylor Preparatory High School, including the responsibilities and qualification for the roles. Some positions, such as custodian and food service, may be contracted labor.

Principal

Responsibilities:

- Hire and evaluate school staff
- Develop and evaluate educational programs to ensure conformance to state, federal, school board and PrepNet standards.
- Develop and coordinate educational programs through meetings with staff, review of teachers' activities and issuance of directives
- Confer with teachers, students, and parents concerning educational and behavioral problems in school
- Establish and maintain relationships with colleges, community organizations, and other schools to coordinate educational services
- Facilitate parent education and involvement
- Requisition and allocate supplies, equipment and instructional material as needed
- Direct preparation of class schedules, cumulative records and attendance reports
- Monitor safety and security of students, staff, visitors and school facility
- Monitor school budget and manage expenses
- Direct building maintenance and custodial services
- Develop and administer educational programs for students with mental or physical disabilities

Qualifications

- Must meet state requirements for the position
- Master's degree (M.A.) or equivalent; or four to ten years related experience and/or training; or equivalent combination of education and experience
- Demonstrated successful leadership as a school principal
- Demonstrated successful teaching experience
- Exhibited leadership in working with professional staff, students and the community
- Must successfully complete criminal history and criminal background check

Assistant Principal

Responsibilities:

- Assist the Principal in carrying out their duties
- Lead the school in areas of student discipline and safety
- Oversee at-risk programming at the school

Qualifications

- Must meet state requirements for the position
- Master's degree (M.A.) or equivalent; or four to ten years related experience and/or training; or equivalent combination of education and experience
- Demonstrated successful leadership
- Demonstrated successful teaching experience
- Exhibited leadership in working with professional staff, students and the community
- Must successfully complete criminal history and criminal background check

Teacher

Teachers are responsible to implement the curriculum, coordinate with educational assistants, maintain current achievement level information, assign additional studies to students not meeting or exceeding achievement, keep accurate student records, and establish classroom procedures. Teachers are also responsible to order supplementary education materials, request parent volunteers and report all education-related activities to the Principal.

Responsibilities:

- Strategically plan the year's learning objectives
- Model enthusiasm for learning
- Teach the curriculum provided for the grade level
- Provide thoughtfully-prepared, high-quality lessons each day
- Develop materials as needed for all academic subjects to ensure excellent opportunities for students to master material
- Assess student learning and check frequently for mastery of material
- Provide parents with regular feedback regarding their student's progress through verbal contact, written contact, progress reports, report cards, and parent/teacher conferences
- Promote character development by establishing an atmosphere of integrity, high expectations, and sensitivity
- Maintain a neat, orderly, functional, cheerful-looking classroom
- Work effectively with his/her grade level team (where applicable) and the rest of the staff team
- Supervise recess periods, lunch periods, and other activities when a parent volunteer is not available
- Follow the Student Discipline Policy and all other discipline policies
- Grow professionally through further academic studies
- Understand and support all aspects of the Employee Handbook and Benefit Plan Descriptions
- Use Infinite Campus to record grades, report attendance, complete report cards, and access online educational materials
- Assist the Principal in other duties as requested

Qualifications

- Bachelor's Degree and appropriate Teaching Certificate/Licensure
- Demonstrated ability to communicate and work effectively with parents
- Demonstrated ability to adapt to individuals specific needs

- Demonstrated ability to adapt to differences and changes in characteristics of students, programs, leadership, staff and community
- Demonstrated ability to utilize varied teaching methodologies to accommodate students' unique learning styles
- Demonstrated ability to evaluate tests and measurements of achievement
- Demonstrated ability to work effectively as a team member
- Must successfully complete criminal history and criminal background check

Special Education Teacher

The Special Education Teacher at the school is a versatile individual who specializes in working with students with disabilities and their families to maximize their potential.

Responsibilities:

- Provide direct and indirect instruction
- Provide long and short term planning that addresses individual needs of students
- Evaluate students' progress
- Teach a multi-model approach
- Provide an inviting, exciting, innovative, learning environment
- Establish and maintain classroom management procedures
- Report directly to the Dean of Student Services
- Prepare written reports accurately and submit in a timely manner
- Effectively communicate with regular education teachers, parents and administrators to facilitate the IEPC procedure
- Effectively consult with parents, students, teachers, and administration
- Provide professional liaison between school and home when necessary
- Remain current on rules set forth in special education law
- Maintain privacy of student records and information

Qualifications

- Michigan Elementary Teaching Certificate
- Michigan Special Education Certification
- Demonstrated ability to communicate and work effectively with parents
- Demonstrated ability to adapt to individuals specific needs
- Demonstrated ability to adapt to differences and changes in characteristics of students, programs, leadership, staff and community
- Demonstrated ability to utilize varied teaching methodologies to accommodate students' unique learning styles
- Demonstrated ability to evaluate tests and measurements of achievement
- Demonstrated ability to work effectively as a team member
- Most successfully complete criminal history and criminal background check

Technology Specialist

The Technology Specialist's role is to provide the leadership and expertise necessary to ensure that the school's technology programs are an integral part of the instructional program. The Technology Specialist will assume the responsibility of leader, trainer, manager, teacher, and information specialist.

Responsibilities:

- Work with administrators and school personnel to develop long range goals and objectives for the school library and technology programs
- Serve as the primary contact for technology matters in the school
- Initiate and maintain contact with Principal, teachers, and students to implement library and technology programs
- Communicate the philosophy and goals of the school technology programs to the students, teachers, administration and community
- Plan, teach, evaluate and reinforce instruction designed to make students and staff effective users of information
- Make resources available to students and teachers through a systematically developed and organized collection of materials and technology
- Participate in school leadership and strategic planning at the building level
- Provide staff development opportunities for school personnel in the selection, use, evaluation, and availability of media
- Provide indirect supervision of the volunteer staff in the media center(s)

Qualifications:

- Bachelor's Degree
- Two to three years experience in I.T. field
- Ability to establish and maintain effective working relationships with students, peers and parents
- Must successfully complete criminal history and criminal background check

Registrar / Secretary

The registrar and/or secretary will maintain the school office and provide assistance to students, parents, and staff.

Responsibilities:

- Maintain and update record-keeping at the school
- Answer phones
- Maintain student counts
- Maintain student database
- Maintain student master schedule
- Provide assistance to staff and students
- Perform as a receptionist for the school

Qualifications:

- Ability to word process and utilize a database accurately
- Demonstrated ability to communicate and work effectively with staff and parents
- Ability to adapt to constantly changing needs
- Demonstrated ability to adapt to differences and changes in characteristics of students, programs, leadership, staff, and community
- Must successfully complete criminal history and criminal background check

Instructional Aide:

The Instructional Aide at the school will provide assistance and support under the direct supervision of a certified or licensed teacher, as needed. The Instructional Aide's responsibilities include, but are not limited to:

Responsibilities:

- Assist with oversight and technical operations of computer laboratories
- Assist with physical care tasks and health-related activities as appropriate
- Assist students with behavioral/management needs
- Assist with setting up laboratory equipment, conducting experiments and performing limited reviews of student laboratory reports
- Assist with technical preparation and production of media programs
- Read to and play audio-visual materials for children
- Assist with proctoring examinations and other related tasks
- Assist with correcting test papers, recording grades, maintaining files and preparing statistical reports
- Manage records, materials and equipment
- Supervise students

Qualifications:

- Must successfully complete criminal history and criminal background check

SCHEDULE 7-4

METHODS OF ACCOUNTABILITY AND PUPIL ASSESSMENT

SCHEDULE 7-4

Grand Valley State University shall evaluate the success of the Academy by considering multiple areas of performance. A Comprehensive Performance Review (CPR) system will be established by Grand Valley State University Charter Schools Office and shall include, but not be limited to, the performance of the Academy in the areas of student performance, board governance, organizational performance, compliance reporting, facility conditions, fiscal strength and reporting and other pertinent performance data, as required by federal and state law, the authorizing contract, or desired by the authorizer for review.

Included in the Comprehensive Performance Review shall be the requirements of Article VI Section 6.5 of the authorizing agreement, which states:

Section 6.5. Methods of Accountability. In addition to those set forth in this Section 6.5, the Academy shall evaluate its pupils' work based on the assessment strategies identified in the Schedules. To the extent applicable, the pupil performance of the Academy shall be assessed using at least the Michigan Education Assessment Program (MEAP) test or the Michigan Merit Examination (MME) designated under the Code. The Academy shall provide the University Charter Schools Office with copies of reports, assessments and test results concerning the following:

- a) educational outcomes achieved by pupils attending the Academy and other reports reasonably requested by the University Charter Schools Office;
- b) an assessment of the Academy's student performance at the end of each academic school year or at such other times as the University Board may reasonably request;
- c) an annual education report in accordance with the Code;
- d) an annually administered nationally recognized norm-referenced achievement test for the Academy's grade configuration, or a program of testing approved by the University Charter Schools Office Director; and
- e) all tests required under Applicable Law.


The University Board may use such reports, assessments and test results in making its decision to revoke, terminate, or not issue a new contract at the end of the Contract.

Date: 3/7/13


Board President/Vice President Signature

Secretary's Certification:

I certify that the foregoing resolution was duly adopted by the Taylor Preparatory High School Board of Directors at a properly noticed open meeting held on the 7 day of March, 2013, at which a quorum was present.


Board Secretary

SCHEDULE 7-5

ACADEMY'S ADMISSION POLICIES AND CRITERIA

Taylor Preparatory High School

Schedule 7-5

Admission and Enrollment Policy

Admission to the Academy shall be open to all age-appropriate children for grade levels offered in accordance with the Academy's charter contract without charge for tuition and without discrimination on the basis of intellectual or athletic abilities, measures of achievement or aptitude, disability, status as a handicapped person, homeless status, English proficiency, religion, creed, race, sex, color, national origin or any other basis that would be illegal for an existing school district. Admission shall comply with all applicable federal and state laws. Admission shall be limited to those students who are residents of the state, except a foreign exchange student.

The Academy will remove barriers to the enrollment and retention in school of children and youth experiencing homelessness by developing and implementing practices and procedures consistent with the McKinney-Vento Homeless Education Assistance Act and applicable state law. The school will ensure that all identified homeless children and unaccompanied youth receive a free and appropriate education and are given meaningful opportunities to succeed in the school.

It is the policy of the Board that its educational service provider develop and implement practices and procedures that control the admission and enrollment of students, including public notice, lottery and random selection drawing to be used when the number of applicants exceed the number of available spaces for grades offered. Detailed application, lottery and admission practices and procedures shall be available to parents and the general public at the school office. The Board will annually approve offered seats and maximum class size of the Academy.

Taylor Preparatory High School

PRACTICES AND PROCEDURES: ADMISSIONS AND ENROLLMENT

The school will comply with all applicable federal and state laws related to admissions and enrollment.

Non-Discrimination

The school will not discriminate on the basis of intellectual or athletic abilities, measures of achievement or aptitude, disability, status as a handicapped person, homeless status, English proficiency, religion, creed, race, sex, color, national origin or any other basis that would be illegal for an existing public school.

Open Enrollment Period and Notice

The “**Open Enrollment Period**” for the first year of operation will be determined prior to June 30 and included in the notice of Open Enrollment. In all subsequent years, the Open Enrollment Period is from the first day of school of the current school year until 5:00 p.m. on the last day of business in February of the current school year. Notice of the Open Enrollment Period and application process will be designed to inform the persons most likely to be interested in the school.

PrepNet or the School will provide notice of open enrollment on their websites and by (a) printing a legal notice of the Open Enrollment Period in a local newspaper of general circulation; (b) mailing a written notice of the Open Enrollment Period and an application to all families who inquire about school enrollment; and (c) posting a written notice of the Open Enrollment Period at the PrepNet offices, as applicable, and the School. In addition, notice may also be provided by airing a public service announcement on local television.

As part of the enrollment process, the school staff will communicate to meet with families, parents/guardians and students prior to the first day of school.

Application Procedures

Interested parties may obtain applications at:

- The school’s website
- The school’s office

Applications will be mailed, emailed or faxed to anyone requesting an application by telephone.

Applications for the current school year will be accepted until the end of the current school year and available seats will be filled. Applications for the subsequent school year are received during and after the Open Enrollment Period. If applications received during the Open Enrollment Period exceed offered seats in any grade level (“over-subscribed grades”), a random selection process will take place for all affected grade levels. If applications received are fewer than offered seats in each and every grade level (“under-subscribed grades”), all eligible applicants will be accepted and a random selection process will not be conducted.

All applications received after the Open Enrollment Period will not be eligible to participate in the random selection process, and will be added to the end of the accepted list if offered seats are still available after the random selection process, or to the resulting waiting list created at the time of the random selection process.

Accepted applicants must confirm their intent to attend the school within four weeks of acceptance by returning certain initial forms, including an Admissions Form and an Official Release of Records Form. The school will send letters to parents reminding them of this obligation in order to enroll their child. The school will send all applicants a postcard to inform parents/guardians that if the student does not attend the first day of school or call in to request an excused absence by the date and time indicated the student will forfeit his/her registered status in the school and will not be enrolled. The school may attempt to call all applicants who have not responded to inquire whether the applicant is still planning to attend.

Once students are enrolled and remain enrolled, they will remain eligible to be re-enrolled at the school for successive years without having to re-enter the random selection process. However, they will be requested to complete a re-enrollment form by the end of the Open Enrollment Period showing intent to re-enroll for the subsequent school year. All applicants on a waiting list must re-submit an application for the following school year during the next Open Enrollment Period.

Random Selection Process

The random selection process shall be open to the public, and the school will notify all applicants of the time and place. A neutral third party person will be present during the random selection process. This person will not be related to any student, staff member, anyone applying to the school, or a PrepNet employee. Names will be randomly selected until all offered seats have been filled. Any remaining names will be randomly selected to establish waiting list priority used to fill available offered seats prior to and during the school year for which the student applied. After all eligible names have been randomly selected; the school will add the names of applicants who submitted applications after the Open Enrollment Period in the order in which they were received. The random selection process is open to the public and will be video recorded. In the event of any discrepancy, the video recording will be the official record of placement of students.

Class Size and Offered Seats

Class size and offered seats will be recommended by PrepNet and submitted to the School Board of Directors for approval. In order to make provision for student attrition (reenrolling students who indicate that they are coming back but do not return on the first day of school) and erosion (new students who have been accepted for offered seats but are absent without excuse on the first day of school), the school may over-subscribe grades. The number of students to be over-subscribed will be determined based on historical and forecasted attrition and erosion. In addition, the number of classrooms may fluctuate in the event the number of students enrolled warrants the increase or decrease in number of classrooms. In no event will over-subscription, or fluctuations in the number of classrooms result in a violation of any provision or limit contained within the school's charter contract or applicable law.

Enrollment Preferences

Enrollment preference is first given to currently enrolled students. Next preference is given to the following ordered categories of applicants:

- Siblings of currently enrolled students
- Siblings of students selected in the random selection process
- All remaining applicants

If permitted by law, other enrollment preferences may be granted. If a student is selected for a grade level that still has offered seats available and the student has a sibling applying for a grade that no longer has offered seats available, the student will be accepted for his/her grade level and the student's sibling will be placed on the waiting list for his/her grade level with sibling preference. Therefore, while sibling preference applies, siblings are not guaranteed a seat.

Standby Opportunity Plan

The Standby Opportunity Plan (SOP) is a procedure by which the school may decide to revise its waiting list on the first day of school. If the school follows this procedure, the school will send all applicants on the waiting list a registration card prior to the first day of school. To be included in the SOP, the applicant must return the card to the school by 1:00 p.m. on the first day of school, providing phone numbers where the applicant can be reached the first day of school between the times listed on the card. In the event of an offered seat becoming available, the school will attempt to reach the parent participating in the SOP and offer the seat. If the school cannot reach the parent at the phone numbers and during the times provided on the card, the school will contact the next person on the waiting list who is participating in the SOP. If a student participates in the SOP and a seat is not available for them, they may receive a higher waiting list priority than those students who did not participate.

Procedural Steps

Step 1: Setup

A list with the name of each student who submitted an application during the Open Enrollment Period will be created. The list will include, but not be limited to, the student's name, birth date, grade level to which the student is applying, street address, and names and grade levels of any siblings who are also applying for admission to the school.

Step 2: Admission of Applicants Applying for Under and Over-Subscribed Grades

A neutral third-party person (as previously described) will perform a random selection of the names of each applicant. Any under-subscribed grades will be considered before the over-subscribed grades in descending order. After all under-subscribed grades have been identified; the order of the over-subscribed grades will be randomly selected. Once the grade order has been established, randomly selected students will be placed in available seats or on the waiting list in the applying grade if an offered seat is not available. If the selected student is accepted and has siblings who are also applying for admission, the siblings will be accepted if there are offered seats available or placed on the waiting list with sibling preference if offered seats are not available. If the selected student is placed on the waiting list and has siblings who are also applying, the siblings' names will not be selected at this time or granted sibling preference, but will wait until their grade level is selected.

Step 3: Waiting List Priority

Students will continue to be randomly selected until all names are selected. After a grade level's seats are full, all remaining names will be placed on the waiting list in the order in which they are selected. Applications received after the Open Enrollment Period will be added to the end of the waiting list for the appropriate grade in the order in which they were received.

When a seat becomes available in a particular grade due to attrition, erosion, or other event, if that particular grade has a waiting list, that available seat will be filled by the first student on the waiting list for that particular grade. If a waiting list does not exist for that particular grade, but exists for another grade, the school may (subject to applicable enrollment limits and board approved offered seats) fill the available seat using the first student on the waiting list in a different grade, the grade deemed most beneficial to student and school considering class size, teacher capacity, and other school operational factors.

Appeals

Any parent or guardian who wishes to contest or appeal any aspect of the random selection process may do so in writing to the School's Board sent to the school's address. Following receipt of the parent's/guardian's written appeal, a School Board designee will contact the parent/guardian to discuss the nature of the concern or objection. Final decisions will be made by the School Board or its designee.

HOMELESS CHILD PRACTICES & PROCEDURES

1. PURPOSE

To remove barriers to the enrollment and retention in school of children and youth experiencing homelessness in compliance with the McKinney-Vento Homeless Education Assistance Act (42 USC§11434a[2]) ("McKinney-Vento Act").

2. PRACTICE

The school will adhere to the provisions of the McKinney-Vento Act and applicable state requirements to ensure that all identified Homeless Children and Unaccompanied Youth receive a free and appropriate education and meaningful opportunities to succeed in the school.

Definitions

"Homeless Child" - a child who does not have a fixed, regular, and adequate nighttime residence or whose primary nighttime location is in a public or private shelter designated to provide temporary living accommodations, or a place not designed for, or ordinarily used as regular sleeping accommodations for human beings. This definition includes a child who is:

- sharing the housing of other persons due to loss of housing, economic hardship or similar reason (sometimes referred to as double-up);
- living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations;
- living in a car, park, public space, abandoned building, substandard housing, bus or train stations or similar settings;
- abandoned in hospitals;
- awaiting foster care placement (eligibility for services for children already placed in foster care should be discussed between the Liaison and the social service provider);
- a migratory child who qualifies as homeless because he or she is living in circumstances described above; or
- an Unaccompanied Youth.

"School of Origin" - the school the child attended when permanently housed or the school in which the child was last enrolled.

"Unaccompanied Youth" - a youth not in the physical custody of a parent or guardian.

3. APPLICABILITY

This document applies to all schools.

4. RESPONSIBILITY

4.1 The school principal will designate a local homeless Liaison ("Liaison").

4.2 The Liaison will serve as one of the primary contacts between homeless families and school staff, district personnel, shelter workers, state coordinators for Homeless Children, public and private service providers in the community, housing and placement agencies, and other service providers.

4.3 The Liaison will:

- Identify and enroll Homeless Children;
- Ensure that Homeless Children and their families receive eligible educational services;
- Make referrals to health, mental health, dental, and other services;
- Inform parents/guardians of educational and related opportunities available to their children;
- Provide parents/guardians with meaningful opportunities to participate in their child's education;
- Inform parents/guardians and Homeless Children of all transportation services, and assist them in accessing these services;
- Clearly communicate all required information in a form, manner, and language that is understandable;
- Ensure proper mediation of enrollment disputes according to the McKinney-Vento Act and complaint procedures;
- Disseminate public notice of the educational rights of Homeless Children;
- Conduct annual training for school personnel on possible indicators of homelessness, sensitivity in identifying Homeless Children, and procedures for reporting to the Liaison; and
- Record *Infinite Campus* information

5. **PROCEDURES**

5.1 **Identification**

The burden is on the School to show that the child is not a Homeless Child. The Liaison, in collaboration with school personnel and community organizations, will identify Homeless Children, both in and out of school. Community organizations may include family and youth shelters, soup kitchens, motels, campgrounds, drop-in centers, welfare departments and other social service agencies, street outreach teams, faith-based organizations, truancy and attendance officers, local homeless coalitions, and legal services.

The Liaison must use the Student Residency Questionnaire (SRQ) upon enrollment and clearly describe current living arrangements of the child to determine whether the child meets the definition of a Homeless Child. Upon the receipt of an SRQ indicating potential homelessness, the Liaison will implement these practices and procedures document and ensure adherence with federal, state and PrepNet requirements.

5.2 **School Selection**

Homeless Children have the right to remain at their School of Origin or to attend any school that houses students who live in the attendance area in which they are actually living.

If the parent/guardian agrees, Homeless Children will remain at their School of Origin to the extent feasible. Homeless Children may remain at their School of Origin the entire time they are in transition and until the end of any academic year in which they become permanently housed. The same applies if they lose their housing between academic years.

Feasibility is a child-centered determination, based on the needs and interests of the particular child and the parent/guardian or child's wishes. Services that are required to be provided, including transportation and services under federal and other programs, shall not be considered in determining feasibility. Feasibility considerations may include:

- Safety of the child;
- Continuity of instruction;
- Likely area of family or child's future housing;
- Time remaining in the academic year;
- Anticipated length of stay in temporary living situation;
- School placement of siblings; or
- Whether the child has special needs that would render the commute harmful.

5.3 Enrollment

The school selected for enrollment must immediately enroll any Homeless Child. Unaccompanied Youth may either enroll themselves or be enrolled by a parent, non-parent caretaker, older sibling, or the Liaison. Enrollment may not be denied or delayed due to the lack of any document normally required for enrollment, any unpaid school fees, lack of uniforms or clothing that conforms to the school's dress code or any factor related to the child's living situation.

The school will coordinate the transfer of school records with other schools and contact the child's previous school to obtain school records. Initial placement of a child whose records are not immediately available will be made based on the child's age and information gathered from the child, parent, and previous schools or teachers. If no immunization records are available, the school office will refer students to the Liaison to assist with obtaining these records from state registries and/or community based clinics.

The School will excuse any tardiness or absence related to a Homeless Child's living situation when applying any school policy regarding tardiness or absences.

5.4 Services

The school must provide Homeless Children services comparable to services offered to other students in the school, including:

- Transportation;
- Title I;
- Educational services for which the student meets eligibility criteria, including special education and related services and programs for English learners;
- School nutrition programs (the school will provide free meals to the Homeless Child as all Homeless Children are automatically eligible for free meals);
- Vocational and technical education programs;
- Gifted and talented programs; and
- Before- and after-school programs

Transportation

At a parent/guardian's request, the school will provide transportation to and from the School of Origin. The Liaison will coordinate these arrangements, which may include arrangements with the social service district. The School must provide the transportation for the entire time the child

has a right to attend that school, as defined above, including during pending disputes. The length of the commute will only be considered in determining the *feasibility* of placement in the School of Origin based on potential harm to the child. Prior to selection of a school, the Liaison will inform the parent/guardian or Unaccompanied Youth of this right to transportation. Transportation disputes will not result in a Homeless Child missing school. If such a dispute arises, the School will arrange transportation and immediately bring the matter to the attention of the state authorities following the appropriate complaint procedures as detailed in this document.

Title I

Homeless Children are automatically eligible for Title I services. The School will reserve the necessary funds to provide services comparable to those provided to Title I students attending non-participating schools, including education related support services and removing barriers that prevent attendance. The Liaison and the Title I director will develop the formula (based upon the per-pupil Title I expenditures) to use for determining the necessary funds to reserve.

The Title I Director and the Liaison will ensure coordination between the Title I plan and the McKinney-Vento Act, including the academic assessment, reporting and accountability systems required by federal law and the U.S. Department of Education.

Educational Services

The School shall give evaluations of Homeless Children suspected of having a disability priority and coordinate the evaluation with the student's prior and subsequent schools, as necessary, to ensure timely completion of a full evaluation. When necessary, the School will expeditiously designate a surrogate parent for Homeless Children suspected of having a disability. The School will immediately implement the child's Individualized Education Program (IEP), if available, and promptly conduct any necessary IEP meetings or re-evaluations. If complete records are not available, IEP teams will use good judgment in choosing the best course of action, balancing procedural requirements and the provision of services in an attempt to avoid any disruption in services.

5.5 Complaint and Dispute Resolution

The following steps and procedures should take place in resolving disputes regarding enrollment, school placement, or services.

Complaint

- A complaint is an oral or written and signed statement alleging the violation of a federal or state law, rule, or, regulation. The complaint must allege a violation that occurred not more than one (1) year prior to the date that the complaint is received, unless a longer period is reasonable because the violation is considered systemic or ongoing.
- Parents, teachers, administrators, or other concerned individuals or organizations may file a complaint ("Complainant"). Faculty and staff with knowledge of a complaint must refer the Complainant to the Liaison.
- The Complainant may submit the complaint in writing to the Liaison, using the attached Complaint Resolution Initiation Form (Exhibit 6.5). The Complainant may choose to initiate the complaint orally.

Role of School

- Immediately enroll the child in the school preferred by the person(s) bringing the complaint.
- Provide all educational services for which the child is eligible, pending resolution of the dispute.

Role of Liaison

- After receipt of the complaint, the Liaison must provide a written explanation of the school placement decision and/or provided services to the Complainant and discuss the complaint with the Complainant. The Liaison must provide a written propose resolution or a plan of action to the Complainant within five (5) days of receipt of the complaint.
- If the Liaison does not resolve the dispute, the Complainant may forward it to the school principal. The Liaison must provide a written resolution to the parties within five (5) days of the discussion with the principal. The Complainant has a right to obtain assistance from advocates or attorneys in addressing a complaint.
- The Liaison will carry out the dispute resolution in an expeditious manner and will provide the Complainant these written procedures, including the appeal procedures outlined below.
- In the event the School is unable to resolve the complaint, the Complainant may pursue the applicable appeal procedure(s).

Appeal Procedures

If the dispute is not resolved at the school level, the Complainant may direct the complaint to the Michigan Department of Education. Complaints made under this process must be in writing and signed by the Complainant.

Address the complaint to the following address:

- State Homeless Coordinator, Office of Field Services, Michigan Department of Education, P.O. Box 30008, Lansing, MI 48909.

The complaint should include:

- the name, address, and telephone number of the person filing the appeal;
- the relationship or connection of the person to the child in question;
- the name and age of the child involved;
- the name of the school and school personnel involved in the complaint;
- the federal requirement alleged to have been violated;
- a description of the situation that prompted the complaint;
- a description of the attempts that were made to solve the issue; and
- the relief the person is seeking.

The State Homeless Coordinator will gather needed information from statements of the parties involved and will forward the information to the Director of the Office of Field Services along with a recommendation of resolution or for further investigation.

Within 30 days after receiving a complaint, the Director of the Office of Field Services will recommend a resolution and will inform interested parties in writing of the decision.

If a Complainant or one of the parties involved in the complaint disagrees with the decision, that party may, within 10 working days, appeal to the Deputy Superintendent. This appeal must be in writing and state why the party disagrees with the decision of the Director of the Office of Field Services.

Within 30 days after receiving an appeal, the Deputy Superintendent will render a final administrative decision and notify the Complainant and the school in writing.

If the party disagrees with the decision of the Deputy Superintendent, the party may request a review of the decision by the United States Secretary of Education in accordance with 34 CFR Part 299.11.

SCHEDULE 7-6

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

Taylor Preparatory High School

Schedule 7-6

SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE

Pursuant to Applicable Law and the Terms and Conditions of this Contract, the Academy shall comply with the school calendar and school day schedule requirements identified in this schedule.

School Day Schedule



M/F	M/F
Times	Class
8:00-8:35	Adv
8:40-9:35	A
9:40-10:35	B
10:40-10:55	Lunch 1
11:00-11:55	C
12:00-12:55	D
1:00-1:55	E
2:00-2:55	F
3:05-4:00	Elective Monday Only

T/W/TH	T	W	TH
Times	Class	Class	Class
8:00-9:35	A	A	C
9:40-11:15	B	B	D
11:20-11:35	Lunch 1	Lunch 1	Lunch 1
11:40-1:15	C	E	E
1:20-2:55	D	F	F
3:05-4:00	Tutoring		Tutoring

Taylor Preparatory High School
2013-2014 Calendar Year

Calendar Report
02/27/2013 // 08:30:46 AM

Legend

	Non-instructional day
	Non school day

Key Dates

Fr, Nov 1	.....	Non school Day, In Service
Th, Nov 7	.....	Instructional Day, Abbreviated Day
Fr, Nov 8	.....	Non school Day, Parent-Teacher Conference
We, Nov 20	.....	Non school Day, Teacher Vacation
Th, Nov 21	.....	Non school Day, Holiday - Other
Fr, Nov 22	.....	Non school Day, Teacher Vacation
Mo, Dec 23	.....	Non school Day, Holiday - Winter Break
Tu, Dec 24	.....	Non school Day, Holiday - Winter Break
We, Dec 25	.....	Non school Day, Holiday - Winter Break
Th, Dec 26	.....	Non school Day, Holiday - Winter Break
Fr, Dec 27	.....	Non school Day, Holiday - Winter Break
Mo, Dec 30	.....	Non school Day, Holiday - Winter Break
Tu, Dec 31	.....	Non school Day, Holiday - Winter Break
We, Jan 1	.....	Non school Day, Holiday - Winter Break
Th, Jan 2	.....	Non school Day, Holiday - Winter Break
Fr, Jan 3	.....	Non school Day, Holiday - Winter Break
Mo, Jan 20	.....	Non school Day, Holiday - Other
Tu, Jan 21	.....	Instructional Day, Abbreviated Day, Exams 1 and 2
We, Jan 22	.....	Instructional Day, Abbreviated Day, Exams 1 and 2
Th, Jan 23	.....	Instructional Day, Abbreviated Day, Exams 1 and 2
Fr, Jan 24	.....	Non school Day, In Service
Fr, Feb 21	.....	Non school Day, In Service
Fr, Mar 28	.....	Instructional Day, Abbreviated Day
Th, Apr 3	.....	Instructional Day, Abbreviated Day
Fr, Apr 4	.....	Non school Day, Parent-Teacher Conference
Mo, Apr 7	.....	Non school Day, Holiday - Spring Break
Tu, Apr 8	.....	Non school Day, Holiday - Spring Break
We, Apr 9	.....	Non school Day, Holiday - Spring Break
Th, Apr 10	.....	Non school Day, Holiday - Spring Break
Fr, Apr 11	.....	Non school Day, Holiday - Spring Break
Mo, May 26	.....	Non school Day, Holiday - Other
Tu, Jun 10	.....	Instructional Day, Abbreviated Day, Exams 1 and 2
We, Jun 11	.....	Instructional Day, Abbreviated Day, Exams 1 and 2
Th, Jun 12	.....	Instructional Day, Abbreviated Day, Exams 1 and 2
Fr, Jun 13	Non school Day, In Service

July

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
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SCHEDULE 7-7

AGE/GRADE RANGE OF PUPILS ENROLLED

Taylor Preparatory High School

SCHEDULE 7-7
AGE AND GRADE RANGE OF PUPILS

The Academy plans to open in the fall of 2013 with 9th and 10th grades, adding a grade per year until grades 9-12 are offered.

The Academy will comply with Applicable Law and the Terms and Conditions of this Contract, regarding the age or grade ranges of students.

SCHEDULE 7-8

**ADDRESS AND DESCRIPTION OF PROPOSED PHYSICAL PLANT; LEASE
OR DEED FOR PROPOSED SITE; OCCUPANCY CERTIFICATE**

Taylor Preparatory High School

SCHEDULE 7-8 DESCRIPTION OF PROPOSED PHYSICAL PLANT

The Academy intends to occupy the former St. Alfred Parish School Building located at 9540 Telegraph Road, Taylor Michigan, 48180.

The facility is a red brick building of approximately 50,000 sq. ft. The original structure, a two story building, was built in the early 1960s. A single story addition was added in the late 1960s and the gymnasium, commons and kitchen were added in the early 1990s. The facility houses over 25 classroom, a gymnasium, kitchen, meeting rooms, administration offices and student support rooms.

The parish and school are housed on a campus of approximately 22 acres. The area includes two soccer fields, a ball diamond, parking lots, school and church facilities. Approximately half of the land will remain with the parish, while the other half will comprise the school parcel. The church and school will enter into an agreement allowing use of common areas such as parking lots, drive lanes, and play areas when not in use by the other entity.

The facility is owned by the Archdiocese of Detroit. PrepNet intends to lease and then purchase the facility from the Archdiocese of Detroit. PrepNet will improve the facility to comply with current life safety requirements, technology updates and aesthetic updates to bring the facility into line with current standards for educational space. The Board of Directors of Taylor Prep will lease the facility and improvements from PrepNet.

It is anticipated that a Certificate of Occupancy will be secured for the facility no later than June of 2013.

LEASE

THIS LEASE ("**Lease**") by and between PrepNet, LLC, a Michigan limited liability corporation, of 3755 36th Street SE, Suite 250, Grand Rapids, Michigan 49512 ("**Landlord**"), and Taylor Preparatory High School, a public school academy chartered under the laws of the State of Michigan, having an address of 9540 Telegraph Road, Taylor Michigan, 48180 ("**Tenant**") is effective the 1st day of July 2013, (the "**Effective Date**"). For purposes of this Lease, Landlord and Tenant shall be referred to collectively as the "**Parties**."

RECITALS

A. Landlord (defined in Section 22.5), as tenant, and School Property, LLC, as landlord (together with its successors, assigns and successors in interest, the "**Master Landlord**") are party to that certain Master Lease Agreement effective June 30, 2008, as amended (the "**Master Lease**").

B. Landlord and Master Landlord amended the Master Lease to subject the Premises thereto and Landlord has the authority under the Master Lease to sublease the Premises to Tenant.

C. Tenant desires to sublease the Premises from Landlord, and Landlord desires to so sublease the Premises to Tenant, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth above and herein, Landlord and Tenant agree as follows:

ARTICLE 1

The Premises and Other Agreements.

1.1 Premises. Landlord hereby leases to Tenant, on the terms and conditions hereinafter set forth, the real estate located in the City of Taylor, Wayne County, Michigan with an address of 9540 Telegraph Road, Taylor, Michigan 48180 and more particularly described on Exhibit "A" attached hereto (the "**Land**"), and all improvements located on the Land (the Land and such improvements as they may exist from time to time, hereinafter referred to as the "**Premises**").

1.2 Master Lease. This Lease is subordinate and subject to the Master Lease. Landlord represents and warrants to Tenant that the terms of this Lease are not inconsistent with the terms of the Master Lease, and Tenant's compliance with the terms of this Lease will not constitute a breach of the terms of the Master Lease. Landlord hereby indemnifies Tenant against all liability, judgments, damages, claims, costs and expenses, including, without limitation, reasonable attorneys' fees arising out of or relating to Landlord's breach of the covenants, representations or warranties under the Master Lease.

1.3 Services Agreement.

A. In accordance with the terms and conditions of that certain "**Services Agreement**" of even or similar date herewith, by and between Landlord and Tenant, Landlord has contractually agreed to manage and operate the Premises and the school located on the Premises, and in connection with the same, Landlord is obligated to fulfill certain obligations assigned to Tenant under the terms of this Lease (the "**Services Obligations**"). In the event that Landlord fails to timely perform or fulfill one or more of the Services Obligations and said failure (a) is not otherwise excused, or subject to notice and an unexpired cure period, by the terms of the Services Agreement, and (b) is not due to the fault of Tenant, then said failure, in and of itself, shall not be deemed to be a Default by Tenant under the terms of this Lease. The foregoing sentence shall be of no further force and effect in the event of expiration or termination of the Services Agreement for any reason.

B. In the event the Services Agreement is terminated by Landlord or Tenant, as party thereto, (a) due to the default of the other party thereto, then upon the giving of notice as required by this Section, the non-defaulting party for purposes of the Services Agreement may, at its option, terminate this Lease without penalty, with the effective date of lease termination being the same as the date on which the Services Agreement terminates, (b) pursuant to any of the termination rights or options provided therein other than those arising in the event of a default or breach by the other party to the Services Agreement, then in any such event and upon the giving of notice as required by this Section, Tenant or Landlord may, at its option, terminate this Lease without penalty, with the effective date of lease termination being the same as the date on which the Services Agreement terminates. To exercise any of the termination rights or options provided in the previous sentence, the party so exercising shall notify the other party hereto of their exercise of any such lease termination right no later than thirty (30) days after the date on which the notice terminating the Services Agreement is sent.

ARTICLE 2

Term.

2.1 Initial Term and Renewals. The "**Initial Term**" of this Lease shall commence on July 1, 2013 and shall terminate effective June 30, 2014 (the "**Initial Term Expiration**"), unless sooner terminated as hereinafter set forth. Provided that (a) Tenant is not then in Default under this Lease, the Services Agreement, or the "**Charter**" (as defined in Section 13.1.E. below), and (b) this Lease, the Services Agreement and the Charter are still in full force and effect, then, unless a Notice of Non-Renewal is sent as provided below, on the Initial Term Expiration (and each anniversary thereof, during the Term of this Lease), this Lease shall be automatically renewed for successive one (1) year terms, upon the same terms and conditions as contained herein. The "**Term**" of this Lease shall mean the Initial Term and every renewal term entered into by Landlord and Tenant. The term "**Upcoming Expiration Date**" shall mean the Initial Term Expiration, or if the Initial Term Expiration has occurred, then the upcoming anniversary of the Initial Term Expiration. If either party, in its sole discretion, does not wish for this Lease to automatically renew, then at least one hundred eighty (180) days prior to the Upcoming

Expiration Date, such party must notify the other party in writing that it does not wish the Term to be renewed (a "**Notice of Non-Renewal**"). Upon the timely delivery of a Notice of Non-Renewal, this Lease shall terminate on the Upcoming Expiration Date. If either party defaults under Article 13 of the Lease, the Term shall automatically end at the expiration of the then current one year Term and the Notice of Non-Renewal requirement shall be waived.

Notwithstanding the foregoing, if the Charter is suspended, revoked or terminated, or a new Charter is not issued to the Tenant after expiration of the Charter, this Lease shall automatically be suspended or terminated, as the case may be, on the same date as the Charter is suspended, revoked, terminated or expires without further action of the parties.

ARTICLE 3

Rent.

3.1 Annual Rent. Tenant hereby leases said Premises for the Term above stated and agrees to pay Landlord annual rent of Two Hundred and Forty Thousand and No/100 Dollars (\$240,000), ("**Annual Rent**") in twelve (12) equal monthly installments of Twenty Thousand, and 00/100 Dollars (\$20,000) (each, a "**Monthly Installment**") each payable to Landlord (or to such other "Person" (defined in Section 22.9) or agent as Landlord may specify by written notice to Tenant) in advance on the first day of each calendar month during the Term. The term "**Lease Year**" is defined to mean any twelve month period from July 1 to June 30 of the following year, during the Term. If the Term ends before the end of a Lease Year, Annual Rent shall be prorated on a daily basis and paid in advance by Tenant on the first day of the last calendar month during the Term. Annual Rent may be adjusted upon determination of final costs for acquisition and construction of the Premises.

3.2 Additional Rent. Any amounts due from Tenant to Landlord hereunder, other than Annual Rent, shall constitute "**Additional Rent**." Additional Rent shall, unless expressly provided to the contrary in this Lease, be payable from Tenant to Landlord on the same terms that Annual Rent is payable, with the next payment of the Monthly Installment coming due hereunder. Annual Rent and Additional Rent may be referred to collectively herein as "**Rent**".

3.3 Payments. All Rent shall be paid to Landlord at Landlord's address as set forth in the introductory paragraph hereof, or at such other address as Landlord may designate in writing. This Lease is a triple net lease and Rent shall be paid without setoff, counterclaim, recoupment, abatement, suspension, or deduction, except as expressly provided for herein. This Lease shall not terminate, nor shall Tenant have any right to terminate this Lease during the Term (except as otherwise expressly provided herein), nor shall Tenant be entitled to any abatement, deduction, deferment or reduction of Annual Rent hereunder (except as otherwise expressly provided herein), nor shall the obligations of Tenant under this Lease be affected by any interference with Tenant's use of the Premises unless caused by Landlord or Master Landlord. It is the intention of the Parties hereto that the obligation of Tenant to pay Rent hereunder shall be separate and that the Rent shall continue to be payable in all events and that the obligations of Tenant hereunder

shall continue unaffected, unless the requirement to pay or perform the same shall have been terminated pursuant to an express provision of this Lease.

3.4 Landlord's Right to Increase. In the event Landlord makes future economic investments (a) in capital improvements to the Premises for any of the "Approved Purposes" (defined herein), or (b) in capital improvements (other than Approved Purposes) to the Premises, up to an amount of \$250,000.00 during any July 1 to July 30 period during the Term, or (c) in acquiring additional property for the Premises for the Approved Purposes, then in any such case, Annual Rent shall be adjusted by amendment to this Lease as of the immediately following July 1 in the Term to compensate Landlord for such additional economic investment. "**Approved Purposes**" shall mean any of the following purposes: (i) to comply with "Legal Requirements" (defined in Section 22.6); (ii) to comply with Landlord's safety and security requirements; (iii) repairs or maintenance to, or replacement of essential building components and systems; and (iv) repairs, maintenance, replacement, or improvements necessary for Landlord to comply with its obligations under the Services Agreement and this Lease.

ARTICLE 4

Use, Occupancy and Purpose.

4.1 Permitted Uses.

A. Tenant shall use the Premises solely for operating a publicly chartered school or academy for grades 9th – 12th, and for ancillary or directly related uses.

B. Any other use of the Premises must be approved by Landlord in advance in writing.

4.2 Prohibited Uses.

A. Tenant shall not use or allow the use of the Premises for any unlawful purpose, nor shall Tenant allow the Premises to be used in violation of the Charter.

B. Tenant shall not allow the Premises to be used in violation of any public law, ordinance, rule or regulation, or in violation of any certificate of occupancy or certificate of compliance covering or affecting the Premises, or any part thereof. Tenant shall not suffer any act to be done or any condition to exist on the Premises or any part thereof which may in law constitute a nuisance, public or private, or which may make void or voidable, or increase premiums for, any insurance with respect thereto. Tenant shall not commit any waste, damage, or injury of or to the Premises or the fixtures or any part thereof and shall take all reasonable precautions and actions to prevent others from committing any of the foregoing.

C. Tenant covenants unto Landlord that during the Term, no part of the Premises shall be used for: the operation of any (i) private or commercial golf course, (ii) country club, (iii) massage parlor, hot tub facility, or suntan facility (iv) race track or other facility used for gambling, or (v) store the principal business of which is the sale of alcoholic

beverages for consumption off premises; or the rental to others of residential property (as defined in Section 168(e)(2)(A) of the Internal Revenue Code).

D. Notwithstanding anything contained in this Lease to the contrary, in the event of a breach of any of the covenants contained in this Section 4.2, Landlord may immediately terminate this Lease by written notice to Tenant.

4.4 Educational Program. Tenant shall neither use the Premises nor allow the Premises to be used at any time during the Term in a manner that interferes with the performance of Landlord's obligations under the Services Agreement, including without limitation, the implementation and delivery of the Educational Program at the Premises. Tenant acknowledges that the terms of the preceding sentence are intended to allow Landlord to restrict access to certain portions of the Premises at certain times provided such access restriction is at all times consistent with the implementation and delivery of the Educational Program.

ARTICLE 5

Utilities.

5.1 Utility Connections; Utility Service. Landlord represents and warrants that construction of the Premises pursuant to Section 9.1 shall include provision of connections for all utility services necessary to the operation of a school at the Premises. Utility services, including without limitation gas, electricity, light, heat, water, sewage and telephone or other communication services, shall be contracted for and paid for by Tenant.

5.2 Disclaimers. Unless due to the gross negligence or willful misconduct of Landlord, Landlord shall not be liable for (i) any failure of water supply or electric current or any service by any utility provider or local government, or (ii) injury to persons, including death, or damage to property resulting from steam, gas, electricity, water, rain or snow which may flow or leak from any part of the Premises or from any pipes, appliances or plumbing works from the street or subsurface or from any other place. Any express or implied rights, easements or licenses for view purposes or for the passage of light and air are hereby expressly disclaimed by Tenant. Except as otherwise expressly provided in this Lease or as may be provided in the Services Agreement, Landlord shall have no obligation to provide any services to Tenant or to the Premises.

5.3 Modifications and Replacements. If the existing services are required to be modified or replaced for any reason by any utility company or authorized agency, governmental or otherwise, then Tenant shall make such modifications or replacements at Tenant's expense and shall save Landlord harmless therefrom.

ARTICLE 6

Taxes.

6.1 Payment by Tenant. Tenant shall pay all (a) taxes levied on or assessed against the Premises during the Term, (b) special assessments levied on or assessed against the Premises during the Term that become due and payable during the term of this Lease, and (c) other similar charges levied on or assessed against the Premises during the Term and that become due and payable during the term of this Lease, except income and other taxes assessed against or by reason of Landlord's reversionary interest in or income from the Premises (the "Taxes"), (i) prior to the date on which any penalties, interest or late charges would apply, and to save Landlord harmless from the payment thereof, or (ii) to Landlord, in accordance with the terms of Section 6.4, provided Landlord makes the demand on Tenant required in Section 6.4. Taxes for the first and last year of the Term or any extension or renewal thereof shall be prorated on the basis of the fiscal period for which such tax is assessed.

6.2 Landlord's Option to Pay. If at any time after any tax, assessment or similar charge so charged or assessed against said Premises shall become due or payable and Tenant shall neglect or fail to pay the same, Landlord, without being obligated to do so, may pay the same at any time thereafter, and the amount of any and all such payments so made by Landlord shall be and is hereby declared to be payable as Additional Rent with the next Monthly Installment due hereunder.

6.3 Payment at End of Term. At the termination of this Lease by lapse of time or otherwise, all Taxes payable by Tenant under the provisions of this Article 6 shall be paid by Tenant to Landlord.

6.4 Monthly Installments. Upon demand of Landlord, (i) Tenant shall pay as Additional Rent, in addition to each Monthly Installment due hereunder, a sum equivalent to one-twelfth of the amount estimated by Landlord to be sufficient to enable Landlord to pay at least thirty (30) days before they become due, all such taxes, assessments and other charges, and (ii) Tenant will deliver and pay over to Landlord such additional sums as are necessary to make up any deficiency in the amount necessary to enable Landlord to fully pay such taxes, assessments and other charges. Any such tax payments from Tenant may be commingled with the general funds of Landlord and no interest shall be payable in respect thereof. If Landlord receives tax payments from Tenant in accordance with this Section, then Landlord shall pay the full amount of taxes, assessments and other charges when due to the appropriate taxing authorities. In the event Tenant's tax payments under this Section are in any way insufficient to pay the full amount of taxes, assessments and other charges when due to the appropriate taxing authorities, then Tenant shall pay to Landlord, as Additional Rent, any shortfall within thirty (30) days of receiving a demand therefor from Landlord.

6.5 Non-Real Property Taxes. In the event that the City, County, State, or any other political subdivision that has taxing authority over the Premises shall, during the Term, impose upon Landlord any tax or other governmental charge in lieu of all or any part of the Taxes (a "Non-Real Property Tax"), such Non-Real Property Tax shall, for purposes of this Section, be

treated as if it were included in the Taxes. Landlord agrees to furnish to Tenant upon request a separate accounting and supporting documentation of each Non-Real Property Tax.

6.6 Receipts. Upon demand of Landlord within ninety (90) days after the date all or any part of the Taxes are payable by Tenant, Tenant shall provide to Landlord official receipts of the appropriate taxing authority or other proof satisfactory to Landlord of the payment of such Taxes.

ARTICLE 7

Insurance.

7.1 Tenant will cause to be maintained policies of fire and extended coverage insurance on all buildings, structures, fixtures and improvements now or hereafter situated on the Premises and all other property leased hereunder in their full replacement cost. Such policies shall have no greater than eighty (80%) percent co-insurance provision and shall contain the standard "agreed amount" clause for evaluating replacement cost. Such policies shall name Tenant, Landlord, other parties designated by Landlord and the "first mortgagee" (defined in Section 22.3) as their interests may appear as insureds and such insurance shall be carried by an insurance company or companies approved by Landlord and the first mortgagee. Tenant shall make available to Landlord on request copies of said policies. Notwithstanding the aforesaid, in no event shall the manner, forms, companies, sums or length of terms be less than that required by the first mortgagee according to the terms and provisions of the "first mortgage" (defined in Section 22.2).

7.2 Each such policy shall include: (i) a standard mortgagee clause in favor of the first mortgagee; (ii) a provision to the effect that the waiver of subrogation rights by the insured does not void the coverage; (iii) a provision that the policy shall not be changed or canceled without at least thirty (30) days' prior written notice to Landlord and the first mortgagee; and (iv) a provision that any forfeiture of the policy due to an act of Tenant shall not affect the validity insofar as Landlord or the first mortgagee are concerned.

7.3 From time to time as required by Landlord or the first mortgagee, Tenant at its expense, shall obtain from an engineer or appraiser, in the regular employ of the insurer, or an appraiser, engineer, architect or contractor designated by Tenant and approved by Landlord and the insurer, such evidence as may be required by such insurer to maintain the "agreed amount" clause eliminating the possibility of any co-insurance penalty.

7.4 If Tenant shall refuse or fail to so insure and keep insured the Premises and keep such policies in Landlord's and first mortgagee's possession, Landlord may at its election procure and from time to time renew such insurance, and the amounts expended therefore shall be Additional Rent due from Tenant with the next installment of Rent accruing hereunder and may be collected in the same manner as though Rent due hereunder.

7.5 Upon demand from Landlord, Tenant shall pay in advance as Additional Rent, a sum equivalent to one-twelfth of the amount estimated by Landlord to be sufficient to enable Landlord to pay at least thirty (30) days before they become due all insurance premiums on all policies of insurance required or allowed to be carried by Tenant hereunder. Such Additional Rent may be commingled with the general funds of Landlord and no interest shall be payable in respect thereof. Upon demand by Landlord, Tenant will pay Landlord, as Additional Rent, such additional sums as are necessary to make any deficiency in the amount necessary to enable Landlord to fully pay such premiums.

7.6 Landlord shall have no liability for damage to or loss of personal property located upon the Premises, unless and to the extent caused by Landlord.

ARTICLE 8

Casualty; Restoration.

8.1 If the Premises are damaged by fire or other casualty (a "**Casualty**"), Tenant shall give immediate written notice thereof to Landlord and the first mortgagee ("**Tenant's Casualty Notice**"). Landlord shall, within 60 days after receipt of Tenant's Casualty Notice, deliver to Tenant a good faith estimate (the "**Damage Notice**") of the time needed to repair the damage caused by such Casualty ("**Restoration**").

If the Premises is damaged by Casualty such that Tenant is prevented from conducting its business in the Premises in a manner reasonably comparable to that conducted immediately before such Casualty and Landlord estimates that the damage caused thereby cannot be repaired within 210 days after the commencement of repairs (the "**Repair Period**"), then Tenant may terminate this Lease by delivering written notice to Landlord of its election to terminate within 30 days after the Damage Notice has been delivered to Tenant.

If a Casualty occurs and (1) Landlord estimates that the damage cannot be repaired within the Repair Period, (2) regardless of the extent of damage, (a) the damage occurs during the last six (6) weeks of the Term or (b) the damage is not fully covered by Tenant's insurance policies or any insurance Landlord may carry on the Premises or (c) Landlord makes a good faith determination that restoring the damage would be uneconomical, or (3) Landlord is required to pay any insurance proceeds arising out of the Casualty to a first mortgagee, then, in any such case, Landlord may terminate this Lease by giving written notice of its election to terminate within 30 days after the Damage Notice has been delivered to Tenant.

If neither party elects to terminate this Lease following a Casualty, then Landlord shall, within a reasonable time after such Casualty, begin to repair the Premises and shall proceed with reasonable diligence to restore the Premises to substantially the same condition as they existed immediately before such Casualty; however, Landlord shall not be required to repair or replace any improvements, alterations or betterments made by Tenant within the Premises (which shall be promptly repaired and restored by Tenant at Tenant's sole cost and expense) or any furniture, equipment, trade fixtures or personal property of Tenant or others in the Premises or the Project, and Landlord's and Tenant's obligations to repair or restore the Premises shall be limited to the

extent of the insurance proceeds actually received by Landlord and Tenant respectively for the Casualty in question. If this Lease is terminated under the provisions of this Article 8, Landlord shall be entitled to the full proceeds of the insurance policies providing coverage for all alterations, improvements and betterments in the Premises (and, if Tenant has failed to maintain insurance on such items as required by this Lease, Tenant shall pay Landlord an amount equal to the proceeds Landlord would have received had Tenant maintained insurance on such items as required by this Lease).

8.2 Rent insurance proceeds, if payable, shall be applied by Tenant to the payment of, when and as due and payable, the installments of Rent and other payments due under this Lease until Restoration has been completed or until the Lease is terminated pursuant to any of the terms hereof. The balance, if any, of such proceeds shall be paid to Tenant or as Tenant may direct.

8.3. During any period of Restoration, Rent shall abate in proportion to the portion of the Premises that cannot be used for school purposes in Tenant's reasonable determination.

ARTICLE 9

Care of Premises.

9.1 Landlord shall cause the school building on the Premises to be constructed and maintained in a good and workmanlike manner, and in compliance with all Legal Requirements. Tenant will accept the possession of the Premises and keep the Premises in good condition and repair, and will yield and deliver the same to Landlord at the expiration or termination of the Lease in as good a condition as when taken, reasonable use and wear thereof, and damages thereto by Landlord or its agents or invitees, excepted. Tenant shall also maintain all portions of the Premises and adjoining areas in a clean and orderly condition, free of dirt, rubbish, snow, ice and unlawful obstructions, except for those attributable to Landlord's use or action. Tenant may not make any repairs, alterations, additions, changes or improvements to the Premises, except as described above in Section 5.3, without the written consent of Landlord. All repairs, alterations, changes or improvements shall be completed and maintained by Tenant in good workmanlike condition, free and clear of all liens and encumbrances arising out of such work.

9.2 Without limiting the rights granted to Landlord under Article 4 of this Lease, Landlord shall have the right to enter upon the Premises for the purpose of making any repairs thereto and performing any work thereon which may be necessary by reason of Tenant's failure to make any such repairs or perform any such maintenance work as provided herein. Except in case of emergency, the privilege and right of entry shall be exercised at reasonable times and at reasonable hours. Tenant shall pay the cost of any such repairs and maintenance work to Landlord, upon demand therefor and upon submission of satisfactory evidence of Landlord's payment of such costs which sums shall constitute Additional Rent.

ARTICLE 10

Liability.

10.1 Tenant agrees to save Landlord and the first mortgagee harmless from any and all liabilities, losses, damages, penalties, costs and expenses arising from any injury or death to any person or damage to any property in, on, or about the Premises which arise out of (i) gross negligence or willful misconduct of Tenant, or (ii) any noncompliance or breach by Tenant of any of the terms, conditions, warranties, representations, or undertakings contained in or made pursuant to this Lease. Tenant agrees to procure at its own expense public liability and property damage, single limit liability insurance for the benefit of Landlord, Tenant and the first mortgagee as their interests may appear, in amount not less than One Million Dollars (\$1,000,000) to keep such insurance in force during the Term hereof, and to deliver certificates of such coverage to Landlord at least annually. In the event Tenant defaults as to any such obligations, Landlord may obtain such insurance and charge the cost thereof to Tenant as Additional Rent, payable with the monthly installment next coming due.

10.2 Landlord agrees to save Tenant harmless from any and all liabilities, losses, damages, penalties, costs and expenses arising from any injury or death to any person or damage to any property in, on, or about the Premises to the extent caused by willful misconduct or negligence by Landlord. Landlord agrees to procure at its own expense public liability and property damage, single limit liability insurance for the benefit of Landlord and Tenant as their interests may appear, in amount not less than One Million Dollars (\$1,000,000) to keep such insurance in force during the Term hereof, and to deliver certificates of such coverage to Tenant; Landlord agrees to furnish to Tenant upon request certificates of insurance evidencing such insurance.

10.3 Each party hereto, for itself and its respective successors and assigns (including any person, firm or corporation which may become subrogated to any of its rights), waives any and all rights and claims for recovery against the other party, and its officers, employees, agents, and assigns, or any of them, on account of any loss or damage to any of its property insured under any valid and collectible insurance policy or policies, to the extent of any recovery collectible under such insurance. Notwithstanding the foregoing, this waiver shall not be applicable if it has the effect of invalidating any insurance coverage of Landlord or Tenant.

ARTICLE 11

Compliance.

11.1 During the Term, Tenant shall assure compliance with all Legal Requirements relating to Tenant, the conduct of Tenant's business or pertaining to or otherwise affecting the use of the Premises; and Tenant shall reimburse Landlord for any damages or penalties suffered because of any such noncompliance. Landlord hereby represents that as of the Effective Date, the Premises is in compliance with all Legal Requirements; and Landlord shall reimburse Tenant for any damages or penalties suffered because of any such noncompliance.

ARTICLE 12

Assignment and Subletting.

12.1 Tenant shall not assign, transfer, sublet or otherwise allow the use by another Person of the Premises or any part thereof or any interest hereunder without first obtaining the written consent of Landlord, which may be withheld by Landlord for any reason. Landlord may, in its sole discretion, assign, transfer, pledge and convey its rights, title and interests in the Premises and/or this Lease, without the consent of or notice to Tenant; provided, however, the terms and conditions of this Lease as set forth herein as of the execution date of this Lease shall have not been modified or amended and shall be subject to Section 23.3 hereof.

ARTICLE 13

Default.

13.1 Tenant shall be in default upon occurrence of any of the following events (any of the following, a **"Default"**):

A. Failure by Tenant to pay any portion of Rent for a period of more than ten (10) days after Tenant receives written notice of such failure to pay from Landlord (a **"Monetary Default"**); provided in no case shall Landlord be obligated to send notice of failure to pay more than twice in any twelve (12) month period.

B. Failure by Tenant to comply with any term, provision, condition or covenant of this Lease (other than a Monetary Default or as specified in Subsection F. below), if such failure is not cured by Tenant within a period of thirty (30) days after Tenant receives written notice from Landlord specifying such failure.

C. Tenant's becoming insolvent, as that term is defined by any federal or state law or regulation (the **"Insolvency Laws"**); the appointment of a receiver or custodian for all or a substantial portion of Tenant's property or assets; the institution of a foreclosure action upon all or a substantial portion of Tenant's real or personal property; the filing of a voluntary petition under the provisions of the Bankruptcy Code or Insolvency Laws; the filing of an involuntary petition against Tenant as the subject debtor under the Bankruptcy Code or Insolvency Laws, which is either not dismissed within sixty (60) days of filing, or results in the issuance of an order for relief against the debtor, whichever is later; or Tenant's making or consenting to an assignment for the benefit of creditors or a common law composition of creditors, or if Tenant's leasehold interest herein shall be levied on execution.

D. Termination of the Services Agreement due to default made or suffered by Tenant in any of the covenants, terms or conditions of the Services Agreement required to be kept or performed by Tenant.

E. Expiration or discontinuance for any reason of the Charter granted to Tenant by its authorizer (the "Charter"), other than an expiration or discontinuance which results in a new Charter effective as of termination of the existing Charter and with terms which would not, in Landlord's opinion, substantially alter Tenant's ability to comply with the terms of the Lease, Services Agreement, or Charter.

F. Failure by Tenant to deliver the certificate required by Section 23.2 within the time required by such Section.

13.2 Landlord's Remedies. Upon the occurrence of any Default and the lapse of any grace or cure periods without cure thereof, Landlord shall have the option to pursue any one or more of the following remedies upon notice to Tenant:

13.2.1. *Termination.* Terminate this Lease or terminate Tenant's right to possession, and in either event, accelerate all obligations of Tenant owed to Landlord under the Lease and force Tenant to immediately surrender the Premises to Landlord. Tenant agrees to pay to Landlord on demand the costs which Landlord may suffer by reason of such termination. Immediately upon any termination Landlord shall be entitled to recover from Tenant (i) all outstanding and unpaid Rent as of the date of such termination, (ii) the unamortized cost of any initial work performed according to this Lease by Landlord in anticipation of Tenant's occupancy, (iii) the amount of any Rent that was abated pursuant to this Lease, and (iv) all future Rent due for the remaining balance of the Term, which future Rent shall be discounted to present value using a discount rate equal to the U.S. Treasury Bill or Note rate with the closest maturity to the remaining term of the Lease as selected by Landlord.

13.2.2. *Possession.* Enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be present, without terminating the Lease or being liable for prosecution or any claim for damages, and, if Landlord so elects, relet the Premises on such terms as Landlord may determine.

13.2.3. *Entry.* Enter upon the Premises without being liable for prosecution or any claim for damages, and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in effecting compliance with Tenant's obligations.

13.2.4. *Mitigation.* Landlord shall have a duty to mitigate damages in the event of a Tenant Default, provided, however, that Landlord shall not be obligated (a) to favor the Premises for re-letting in comparison to other real property owned or leased by Landlord in the vicinity of the Premises, (b) to discount or disregard any of the following factors regarding a potential new tenant for the Premises: term of proposed lease, proposed rent, proposed use and the creditworthiness and reputation of the proposed tenant, or (c) to spend more toward re-letting the Premises than Landlord would spend in leasing real property in the ordinary course of its business.

13.2.5. *Application of Proceeds.* Any proceeds of re-letting the Premises shall be applied to pay (i) first, all costs of Landlord incurred in connection with such re-letting (including without limitation, all costs and expenses of taking possession of the Premises, securing new tenants, including expenses for redecoration, alterations or other upfit costs), (ii) second, any indebtedness of Tenant other than Rent, (iii) third, all then-outstanding Rent due hereunder, and (iv) fourth, any future obligations of Tenant, including without limitation, Rent. Tenant agrees to pay to Landlord on demand any deficiency that may arise by reason of such re-letting within ten (10) days of notice of the same from Landlord, following a re-letting. In the event Tenant pays to Landlord all accelerated sums due, any amounts applicable to Rent following the date of re-letting shall be reimbursed to Tenant as received.

13.3 No termination of this Lease pursuant to this Section or repossession of the Premises or any part thereof or of any other property leased hereunder shall relieve Tenant of its liabilities and obligations under this Lease that accrue during the Term, all of which shall survive any such termination or repossession and, if the Premises or any part thereof shall not have been relet, Tenant shall pay to Landlord as and for liquidated and agreed current damages the then present value of the Rent and other sums and charges to be paid by Tenant until what would have been the end of the Term in the absence of such termination or repossession. Landlord shall make a good faith effort to relet the Premises and alleviate Tenant of additional damages. Exercise of any remedy hereunder by Landlord shall not exclude the right to exercise any other remedy hereunder. Notwithstanding any of the foregoing obligations of Tenant stated herein to the contrary, upon termination of this Lease or Tenant's dispossession of the Premises, Tenant will automatically be relieved from and after the date of such termination or dispossession of all personal liability for the performance of any covenants or obligations on the part of Tenant contained in this Lease thereafter to be performed except for those liabilities expressly stated to have survived such termination or dispossession as stated herein.

13.4 To the extent applicable, Tenant has been made aware that Master Landlord as landlord under the Master Lease, or PrepNet, LLC, as tenant under the Master Lease or an Affiliate (defined in Section 22.1) of either or any other Person that enjoys an interest in the Premises seeks the benefits offered pursuant to the U.S. Department of Treasury New Markets Tax Credit program and may pursue other federal, state or city funds, subsidies (including any city real estate tax exemptions or abatements) or loans (collectively, the "Benefits") in connection with the use of the Premises, and as a result of the grant of the Benefits, the Premises may be subject to certain use restrictions. Tenant shall have no responsibility and bear no liability for any claims, fees, expenses, costs or other impositions arising from or in connection with the Benefits due to the termination of this Lease or Tenant's dispossession of the Premises.

ARTICLE 14

Waiver of Breach.

14.1 No waiver by either party hereto of any breach of any of the terms of this Lease shall be deemed to be a waiver of any other or subsequent breach.

ARTICLE 15

Surrender.

15.1 Upon the expiration or earlier termination of this Lease, Tenant shall (i) surrender the Premises in broom clean, in good condition, free and clear of all lettings and occupancies, (except those previously approved by Landlord), free and clear of all liens and encumbrances, except that part of the Premises which have been taken through eminent domain, if any, after the delivery hereof, and otherwise in the same condition as Tenant received the Premises on the first day of the Initial Term, except for the following (which are allowed to remain at the Premises): any alterations that Landlord has not required to be removed, normal wear and tear and loss by fire or other casualty losses for which insurance proceeds have been received by Landlord; (ii) surrender all keys for the Premises to Landlord and (iii) inform Landlord of all combinations on locks in the Premises. All installations, alterations, additions and improvements, including partitions which may have been installed by either Landlord or Tenant, shall remain upon the Premises and shall become Landlord's property, all without compensation, allowance or credit.

15.2 On or before the scheduled expiration of the Term, Tenant may elect to remove its personal property and any fixtures and equipment. Any of Tenant's items listed in the preceding sentence not removed at the end of the Term shall be considered abandoned, and Landlord may appropriate such items for itself, sell such items or otherwise dispose of the same in such commercially reasonable manner as Landlord deems expedient without any liability to Tenant or any parties claiming by, through or under Tenant. In the event the Term terminates for any reason on other than its scheduled expiration date, then Tenant shall have a period of time in which to re-enter the Premises to retrieve its personal property, beginning on the date the Term terminates and ending fifteen (15) days thereafter. Any damage caused to the Premises by such removal shall be repaired by Tenant no later than fifteen (15) days after the end of the Term, but no Rent shall be payable by Tenant for such period of time (and such continued use of the Premises by Tenant shall not be deemed a holdover or a renewal or as creating a periodic or other similar tenancy that might be implied by law). Tenant shall reimburse Landlord for any damage to any portion of the Premises caused by Tenant during the removal of any items contemplated for potential removal in this Section.

ARTICLE 16

Eminent Domain.

16.1 If all or any part of the Premises shall be taken by any Governmental Authority under power of eminent domain, or by private purchase in lieu thereof, all damages awarded for such taking shall belong to and be the property of Landlord, whether such damages shall be awarded as compensation for the taking of or diminution in value to the leasehold or the fee of the Premises and Tenant hereby irrevocably assigns to Landlord any award or payment to which Tenant may become entitled as a result thereof, provided, however, that Tenant shall be entitled to receive from such Governmental Authority compensation for its personal property so taken.

16.2 In the event that only a part of the Premises are so taken, and the part not so taken cannot be completed as an architectural unit for the use described in Section 4.1 hereof, Tenant shall have the option to terminate this Lease by serving written notice of termination on Landlord within sixty (60) days after the taking.

16.3 If only a part of the Premises shall be so taken such that the part not so taken can be completed as an architectural unit for the use described in Section 4.1 hereof, Landlord (or at Landlord's direction, Tenant) shall, as promptly as practicable, make a complete architectural unit of the remainder of the building on the Premises (but only to the extent of the proceeds received for such taking); and there shall be an abatement of the monthly Rent hereinabove provided for in an amount equal to the percentage of the Premises and the building so taken.

ARTICLE 17

Notices.

17.1 All notices and other communications required by this Agreement shall be in writing and sent to the Parties at the facsimile number or address set forth below. Notice may be given by: (i) facsimile with written evidence of confirmed receipt by the receiving party of the entire notice; (ii) certified or registered mail, postage prepaid, return receipt requested; or (iii) personal delivery. Notice shall be deemed to have been given on the date of transmittal if given by facsimile, upon the date of postmark if sent by certified or registered mail, or upon the date of delivery if given by personal delivery. For purposes of the foregoing, "**personal delivery**" shall include delivery by nationally recognized overnight courier (such as FedEx), if signed for by the recipient or a delegate thereof. Notices to the School shall be sent to the current address of the then current Board President, with a copy to the then current Board attorney. The addresses of the Parties for the purposes aforesaid, including the address of the initial Board President, are as follows:

The Tenant:

Taylor Preparatory High School
Attn: President, Board of Directors
9540 Telegraph
Taylor, Michigan 48180
Telephone: () ____ - ____

WITH A COPY TO:

Joseph Urban
Clark Hill
151 S. Old Woodward Avenue
Suite 200
Birmingham, MI 48009
(248) 988-1829

PrepNet:

PrepNet, LLC
Attn: Jason Pater

3755 36th Street SE, Suite 250
Grand Rapids, Michigan 49512
Telephone: (616) 726-8900
Facsimile: (616) 726-8901

WITH A COPY TO:
McShane & Bowie
Attn: John R. Grant
1100 Campau Square Plaza
99 Monroe Ave., NW
Grand Rapids, MI 49501
Telephone: (616) 732-5013
Facsimile: (616) 732-5099

ARTICLE 18

Self Help.

18.1 If Tenant shall at any time fail to make any payment or perform any act on its part to be made or performed hereunder, then Landlord without notice to Tenant, except when other notice is expressly provided for in this Lease and without waiving or releasing Tenant from the obligations of Tenant contained in this Lease, may (but shall be under no obligation to) make such payment or perform such act, and may enter upon the Premises for any such purpose, and take all such actions thereon as may be necessary therefore.

18.2 All sums to be paid by Landlord and all costs and expenses incurred by Landlord in connection with the performance of any such act referenced in Section 18.1, together with any consequential damages Landlord may suffer by reason of the failure of Tenant to make such payment or perform such act, and counsel fees incurred by Landlord in connection therewith or in enforcing its rights hereunder, shall be paid by Tenant to Landlord on demand as Additional Rent.

18.3 Tenant agrees to hold Landlord harmless from any inconvenience or interference with Tenant's operation of its business as a result of Landlord's exercising any rights granted under Section 18.1.

ARTICLE 19

Construction Liens.

19.1 Tenant will not create nor permit to be created or to remain, and will promptly discharge, at its sole cost and expense, any lien, encumbrance or charge upon the Premises or any part thereof, or upon Tenant's leasehold interest therein, except such as are created by Landlord or the first mortgagee.

ARTICLE 20

Environmental Matters.

20.1 Tenant shall not use or store any Hazardous Materials (as defined in Section 20.3) on the Premises, except in compliance with Legal Requirements.

20.2 To the extent directly related to the conduct of Tenant, Tenant's use of the Premises, or the operation of its business thereon, Tenant shall defend, indemnify (limited to the maximum indemnification allowed by Legal Requirements) and hold harmless Landlord, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to, (1) the presence, disposal or release of any Hazardous Materials by Tenant on, over, under, from or affecting the Premises or the soil, water, vegetation, buildings, personal property, persons thereon by reason of Tenant's action or animals on the Premises; (2) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials existing on the Premises by reason of Tenant's action; (3) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Materials existing on the Premises by reason of Tenant's action; and/or (4) any violation of Legal Requirements based upon or in any way related to such Hazardous Materials existing on the Premises by reason of Tenant's action including, without limitation, reasonable attorney's and consultant's fees, investigation and laboratory fees, court costs and litigation expenses.

To the extent directly related to the conduct of Landlord, Landlord's use of the Premises, or the operation of its business thereon, and to the extent permitted by law, Landlord shall defend, indemnify and hold harmless Tenant, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to, (1) the presence, disposal or release of any Hazardous Materials by Landlord on, over, under, from or affecting the Premises or the soil, water, vegetation, buildings, personal property, persons thereon by reason of Landlord's action or animals on the Premises; (2) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials existing on the Premises by reason of Landlord's action; (3) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Materials existing on the Premises by reason of Landlord's action; and/or (4) any violation of Legal Requirements based upon or in any way related to such Hazardous Materials existing on the Premises by reason of Landlord's action including, without limitation, reasonable attorney's and consultant's fees, investigation and laboratory fees, court costs and litigation expenses.

As used herein, "**Hazardous Materials**" means and includes petroleum, petroleum products, asbestos, asbestos-containing materials, radioactive materials, waste oils, solvents and chlorinated oils, polychlorinated biphenyls (PCBs), and any other water, material or substance that is defined as hazardous or toxic under or regulated by any federal, state or local agent, law, rule or regulation (whether now existing or hereafter enacted or promulgated, as they may be

amended from time to time) pertaining to environmental conditions, the environment, contamination or clean-up, including, without limitation, federal, state or local solid waste disposal rules, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the Hazardous Materials Transportation Act, as amended, the Resource Conservation and Recovery Act, as amended, the Toxic Substances Control Act, as amended, the Water Pollution Control Act, as amended, the Clean Air Act, as amended, or any other applicable federal, state or local laws, regulations, publications of Governmental Authorities, or ordinances pertaining to Hazardous Materials (collectively, "**Environmental Laws**").

20.3 Tenant shall promptly notify Landlord as soon as it knows of or suspects that any Hazardous Materials has been released or that there is a threatened release on the Premises and it shall take such action at its sole expense and with due diligence, as is necessary to insure timely compliance with Legal Requirements unless caused by Landlord. Landlord shall promptly notify Tenant as soon as it knows or suspects any Hazardous Materials has been released or that there is a threatened release on or in the Premises and Landlord shall take such action at its sole expense and with due diligence, as is necessary to ensure timely compliance with Legal Requirements unless caused by Tenant.

20.4 The provisions of this Article 20 shall be in addition to any and all obligations and liabilities of Tenant and Landlord may have to each other under Legal Requirements, and shall survive the expiration and termination of the Lease for any reason.

ARTICLE 21

Late Charges.

21.1 In the event of any failure by Tenant to pay Rent when due, Tenant shall also pay to Landlord, as Additional Rent, a late charge of five percent (5%) of such delinquent payment.

ARTICLE 22

Certain Definitions.

22.1 The term "**Affiliate**" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person or any of its subsidiaries. As used in this definition, the term "**control**" means (a) the power to vote five percent (5%) or more of the securities or other equity interests of a Person having ordinary voting power, or (b) the possession, directly or indirectly, of any other power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

22.2 The term "**first mortgage**" means any mortgage now existing or hereafter becoming a first and paramount lien on the Premises, subject to easements and restrictions of record, and all assignments, modifications, extensions and renewals thereof.

22.3 The term **"first mortgagee"** or **"holder of the first mortgage"** means the Person(s) who is(are) the holder(s) or beneficiary(ies) under the first mortgage from time to time.

22.4 The term **"Governmental Authority"** or **"Governmental Authorities"** means the government of the United States of America or any state or other political subdivision of either thereof, or any entity that exercises executive, legislative, regulatory, administrative, judicial, quasi-governmental or quasi-judicial functions of, or pertaining to, any such government, whether now or hereafter in existence having jurisdiction over the matter or matters in question.

22.5 The term **"Landlord"** is limited to mean and include, so far as covenants, agreements, stipulations or obligations on the part of Landlord are concerned, the tenant under the Master Lease to the Premises or its assignee, at the time in question, and in the event of any transfer or transfers of the title to such fee Landlord herein named (and, in case of any subsequent transfers or conveyances, the then grantor) will automatically be relieved from and after the date of such transfer or conveyance of all personal liability for the performance of any covenants or obligations on the part of Landlord contained in this Lease thereafter to be performed.

22.6 The term **"Legal Requirements"** means (i) all present and future applicable laws, statutes, treaties, rules, orders, ordinances, codes (including, without limitation, building and life-safety codes), regulations, requirements, permits, and interpretations by, and applicable judgments, decrees, injunctions, writs and like action even if unforeseen or extraordinary of any Governmental Authority (including, without limitation, Environmental Laws (defined herein), laws and regulations pertaining to health and safety, Insolvency Laws (defined herein), the Fair Housing Amendments Act of 1988, the Americans with Disabilities Act of 1990, and any other applicable Federal, State or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct relating to barrier-free access or access of the handicapped or disabled to the Premises, and laws and regulations pertaining to the construction, restoration, use and operation of schools); and (ii) any reciprocal easement agreement, agreement, contract, instrument, restriction or similar agreement relating to the use, occupancy, possession, operation, alterations, repairs or maintenance of the Premises or otherwise affecting the Premises.

22.7 The term **"mortgage"** means any mortgage, deed of trust, deed to secure debt or other security instrument now existing as, or hereafter becoming a lien on the Premises.

22.8 The term **"mortgagee"** means the Person(s) who is(are) the holder(s) or beneficiary(ies) under any mortgage from time to time.

22.9 The term **"Person"** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

ARTICLE 23

Subordination; Estoppel Certificates.

23.1 Tenant agrees that Landlord, or any mortgagee or lessor under any applicable ground or other underlying lease, may choose to make this Lease subordinate or paramount to any mortgages or ground or underlying leases now or hereafter affecting the Premises and to any and all advances to be made thereunder or to be secured thereby, and to the interest and charges thereon, and to all renewals, replacements and extensions thereof, and that upon any taking of possession of the Premises and accession to the interest of Landlord under this Lease by such lessor or mortgagee, Tenant shall attorn to and recognize such Person as landlord hereunder; provided the mortgagee, lessor under any such ground or underlying leases, Landlord or any trustee named in any such mortgages or leases shall agree (i) to recognize the Lease of Tenant in the event of foreclosure if Tenant is not in Default and (ii) that Tenant's possession of the Premises under this Lease shall not be disturbed by such Person unless there is a Default. Tenant will execute promptly any instrument or certificate that Landlord may request to confirm such subordination.

23.2 Tenant, within ten (10) days after request by Landlord, will execute and deliver to Landlord (and any mortgagee or prospective mortgagee, or any current or prospective ground or underlying lessor, to the extent specified by Landlord) an estoppel certificate as to such reasonable facts and circumstances under this Lease as may be requested, but in any case including the following (i) identifying the commencement date and expiration date of this Lease, (ii) stating that this Lease is unmodified and in full force and effect, or is in full force and effect as modified, and then stating such modifications, (iii) stating that Tenant does not claim that Landlord is in default in any way, or listing any such claimed defaults, (iv) the amount of Monthly Installments then payable hereunder and Additional Rent, if any, as of the date of the certificate, (v) the date to which the Rent has been paid in advance, and (vi) the amount of any security deposit or pre-paid Rent. If Tenant fails to deliver the executed certificate to Landlord within the ten (10) day period, Tenant shall be in Default without benefit of any cure period, and the proposed certificate will be conclusively deemed executed by Tenant.

23.3 Upon the receipt of a notice from Landlord, Tenant agrees to pay all such sums owing under this Lease directly to the account or party specified in such notice.

ARTICLE 24

Quiet Enjoyment.

24.1 All times when Tenant is not in Default, Tenant's quiet and peaceable enjoyment of the Premises will not be disturbed or interfered with by Landlord or any Person claiming by, through or under Landlord.

ARTICLE 25

Holding Over.

25.1 Any holdover by Tenant in the Premises beyond the expiration or termination of the Term, shall not be deemed to be a renewal or extension of this Lease or any extension thereof or the exercise of any option to extend or renew this Lease, but said holding over shall be deemed a tenancy from calendar month to calendar month at a monthly Rent equal to two hundred percent (200%) of the Monthly Installment for the last month paid under the Term. A month-to-month tenancy arising by holding over under this Section may be terminated by either Landlord or Tenant giving written notice to the other party hereto on or before the day any Monthly Installment is due with termination becoming effective on the day the next following Monthly Installment would have otherwise become due.

ARTICLE 26

Remedies Not Exclusive; Waiver.

26.1 Each and every of the rights, remedies and benefits provided by this Lease to Landlord are cumulative, and are not exclusive of any other of said rights, remedies and benefits, or of any other rights, remedies and benefits allowed by law.

26.2 One or more waivers of any covenant or condition by Landlord will not be construed as a waiver of a further or subsequent breach of the same covenant or condition, and the consent or approval by Landlord to or of any act by Tenant requiring Landlord's consent or approval will not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by Tenant.

ARTICLE 27

Right To Show Premises.

27.1 Landlord may show the Premises and may display about the Premises signs advertising the availability of the Premises at any time during the Term of this Lease.

ARTICLE 28

Landlord's Liability.

28.1 If Landlord fails to perform any provision of this Lease upon Landlord's part to be performed, and if as a consequence of such default Tenant recovers a money judgment against Landlord, such judgment may be satisfied only out of the proceeds of sale received upon execution of such judgment (subject to any prior mortgages and ground or underlying leases) and

levied thereon against the right, title and interest of Landlord in the Premises and out of rents or other income from such property receivable by Landlord, and Landlord shall not be personally liable for any deficiency.

ARTICLE 29

General.

30.1 References in this Lease to Persons have been generalized for ease of reading. Therefore, references to a single Person will also mean more than one Person whenever such usage is appropriate (for example, "Tenant" may include, if appropriate, a group of Persons acting as a single entity, or as tenants-in-common). Similarly, pronouns of any gender should be considered inter-changeable with pronouns of other genders. If a party consists of more than one Person, such Persons shall be jointly and severally liable for the obligations of such party under this Lease.

30.2 Any waiver or waivers by either party of any of the provisions of this Lease will not constitute a waiver of any later breach of that provision, and any consent or approval given by either such party with respect to any act, neglect or default by the other party will not waive or make unnecessary the other party's consent or approval with respect to any later similar act, neglect or default by such other party.

30.3 In the event any provision contained herein shall be held to be invalid or unlawful for any reason, such provision shall be deemed to be stricken from this Lease, with the understanding that the remaining provisions hereof shall continue to be binding on the Parties.

30.4 Topical headings appearing in this Lease are for convenience only. They do not define, limit or construe the contents of any sections, paragraphs or clauses.

30.5 This Lease can be modified or amended only by a written agreement signed by Landlord and Tenant.

30.6 All provisions of this Lease are and will be binding on the heirs, executors, administrators, personal representatives, successors and assigns of each of Landlord and Tenant.

30.7 The laws of the state in which the Premises are located will control in the construction and enforcement of this Lease, without regard to any laws or policies of such state regarding conflicts of law.

30.8 Time is of the essence of all terms and conditions of this Lease.

30.9. Landlord and Tenant each represent and warrant to the other that neither of them has contacted a broker, finder or similar Person in connection with this Lease, and each party shall defend, indemnify and hold the other harmless from and against all liability, cost and

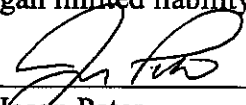
expense, including reasonable attorneys' fees, incurred as a consequence of any claim asserted by a Person alleging to have dealt with one of the Parties hereto in connection with this Lease.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day and year first above written.

LANDLORD:

PrepNet, LLC
a Michigan limited liability corporation

By: 
Jason Pater
Its: President

TENANT:

Taylor Preparatory High School
a Michigan public school academy

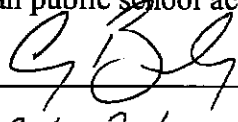
By: 
Cody Bailey
Its: Board President

EXHIBIT "A"

**9540 Telegraph Road
Taylor, Michigan 48180**

LEGAL DESCRIPTION OF PREMISES

The property consists of approximately 10 acres +/- which is part of a parent parcel currently operated as the St. Alfred Parish and School.

This description will be replaced with a legal description once available.